

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

FROM : SAC, Minneapolis (71- )

SUBJECT: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

DATE: March 7, 1952

114 1-1

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Bureau letter dated February 11, 1952 entitled "INTERSTATE TRANSPORTATION OF GAMBLING DEVICES, MINNEAPOLIS DIVISION" (71-157-20); reflects that each military installation possessing gambling devices prior to January 2, 1951, as a part of its Officers' Club, Non-Commissioned Officers' Clubs, should be contacted and information obtained as to the identity of the individual or company purchasing the gambling device.

This letter further reflects that the identifying data concerning each device sold, including the serial number, should be obtained. The purchasers of these machines should be checked to determine what disposition has been made by them of the device.

The Pending case entitled "SURVEY OF GAMBLING DEVICES ON WHICH \$150 TAX WAS PAID TO COLLECTOR OF INTERNAL REVENUE, ST. PAUL, MINNESOTA; ITOGD" (71-183), as well as the case entitled "CRIME AND VICE CONDITIONS IN RURAL MINNESOTA" (94-102), contains two cards which were previously received from the Collector of Internal Revenue which relate to individuals and firms who paid the federal tax on coin operated gaming devices.

One of these cards reflects that the 2465th AFRTC Officers' Club, Wold Chamberlain Field, Minneapolis, Minnesota, in July, 1950 paid tax on three coin operated gaming devices and received Stamp No. 3761.

The other card reflects that the Non-Commissioned Officers' Mess, 2465th AF Res Tng Center, Wold Chamberlain Field, Minneapolis, Minnesota, paid tax in July, 1950 on seven coin operated gaming devices and received Stamp No. 6881.

RNP: PAS  
cc: 71-183  
1 - extra for file

RECORDED - 141

SE 45  
EX - 6971-3127-123  
MAR 10 1952

SAMUEL GEORGE NILVA

Memo, Director, FBI  
3/7/52

Re: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

These two cards have been transferred from Minneapolis File 94-102 and are being placed in instant file for future reference.

The above captioned case is being opened as a result of this information, and appropriate investigation will be conducted in accordance with Bureau instructions appearing in Bureau letter dated February 11, 1952 with two enclosures as well as in my memo to all Agents dated February 29, 1952.

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

OMAHA

FILE NO.

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REPORT MADE AT Springfield, Illinois	DATE WHEN MADE 3-18-52	PERIOD FOR WHICH MADE 2-14-52	REPORT MADE BY <div style="border: 1px solid black; height: 15px; width: 100%;"></div>
TITLE <div style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></div> , was., Et Al			CHARACTER OF CASE INTERSTATE TRANSPORTATION OF GAMBLING DEVICES

**SYNOPSIS OF FACTS:**

USA, Springfield, Ill., considering presentment of case to Grand Jury, Southern District of Ill., requested to be advised of results in prosecution contemplated by Federal authorities in Iowa.

- P\* -

**DETAILS:**

At Springfield, Illinois

MARKS ALEXANDER, Assistant United States Attorney, Southern District of Illinois, advised that he is considering presentment of this matter to a Grand Jury in the immediate future. It was explained to Mr. ALEXANDER that prosecution is to be undertaken by Federal authorities in the State of Iowa on or about March 3, 1952, wherein extensive investigation in this case has been conducted by the Omaha Division.

Mr. ALEXANDER advised he did not wish to complicate matters by initiating prosecution in Illinois in view of the above. However, he said that he is desirous of being advised of the outcome of prosecution in the Omaha Division.

- P E N D I N G\* -

**COPIES DESTROYED**

**85 AUG 17 1966**

APPROVED AND FORWARDED: <i>R. W. [Signature]</i> SPECIAL AGENT	DO NOT WRITE IN THESE SPACES <div style="font-size: 1.5em; font-weight: bold;">71-3129-124</div>
<b>COPIES OF THIS REPORT</b> (3-Bureau (71-3129) 3-Omaha (71-286) (1-USA, Des Moines) 1-USA, Springfield 1-Minneapolis (71-661) (Info) 2-Springfield (71-100)	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>RECORDED - 117</b>   <b>EX - 102</b> </div>

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SI 71-100

ADMINISTRATIVE PAGE

A copy of this report is furnished the Minneapolis Division for informative purposes.

Leads

THE OMAHA DIVISION

At Des Moines, Iowa

Will report results of prosecution.

THE SPRINGFIELD DIVISION

At Springfield, Illinois

Upon receipt of prosecutive results from Omaha Division, will advise USA, Southern District of Illinois, and determine whether further prosecution will be initiated in this Division.

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REFERENCE: Report of SA [REDACTED], Springfield, 1-21-52

## FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1

THIS CASE ORIGINATED AT

OMAHA

FILE NO.

REPORT MADE AT NEW ORLEANS, LA.	DATE WHEN MADE 3/20/52	PERIOD FOR WHICH MADE 2/11,12,25/52	REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 1.2em; display: inline-block;"></div> RIK:ez
TITLE <div style="border: 1px solid black; width: 150px; height: 1.2em; display: inline-block;"></div> was., ET AL			CHARACTER OF CASE INTERSTATE TRANSPORTATION OF GAMBLING DEVICES

## SYNOPSIS OF FACTS:

*see McHenry 4-3-52 gl*

reported that HERMAN PASTER, dba Mayflower Distributing Company, was planning to ship "buttons" for Hollycrane machines from St. Paul to New Orleans. Buttons shipped 2/14/52 via U. S. mail. USA's at St. Paul and New Orleans decline prosecution.

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*al 7-1*  
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- RUC -

G.I.R.-6

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DETAILS: AT NEW ORLEANS, LOUISIANA

Confidential Informant , an individual who has furnished reliable information in the past, advised that HERMAN PASTER, dba Mayflower Distributing Company, had contacted  and advised he was shipping "buttons" for Hollycrane machines from St. Paul, Minnesota, to New Orleans, Louisiana, which buttons were to convert the Hollycrane machines to free play machines.  advised that PASTER intends to have the machines shipped from New Orleans, Louisiana to Canada and has obtained an export permit for the machines. This information was furnished to the Minneapolis Office by teletype dated February 11, 1952.

The Minneapolis Office, by teletype dated February 12, 1952, advised that they were unable to determine the means by which these buttons were to be shipped to New Orleans, Louisiana.

The teletype further reflected that the U. S. Attorney at St. Paul gave the opinion that the buttons mentioned did not come within the purview of Public Law 906 and declined prosecution.

~~COPIES DESTROYED~~

85 AUG 17 1966

APPROVED AND FORWARDED: <i>J. M. Lopez</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES 71-3129-1125 RECORDED - 6 INDEXED - 6 EX - 3	
COPIES OF THIS REPORT 3 - Bureau (71-3129) 1 - USA, New Orleans 3 - Omaha (71-206) 3 - Minneapolis (1-USA, St. Paul) (71-161)		APR 10 1952	

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63 APR 10 1952

NO #71-244

The facts in this case were presented to U. S. Attorney JOHN N. McKAY, New Orleans, by ASAC GERALD E. GOTSCHALL and Mr. McKAY likewise declined prosecution.

[ ] advised on February 25, 1952 that PASTER was intending to ship the Hollycrane machines to Donald Fielding & Company, 1106 Hall Avenue, Windsor, Ontario, Canada. [ ] advised that PASTER, to his knowledge, had not obtained custom papers to ship these machines out of the country. [ ] advised that he has determined that the buttons, consisting of fifty sets valued at \$1.50 each, were shipped to [ ] under Holly Sales Company invoice #7222. The price of these buttons was \$75.00. [ ] advised that the buttons were not original parts for Hollycrane machines but were apparently the parts from a Bally pinball machine which are attached to the ball return or plunger. [ ] advised that the instructions for installing these buttons were to place the buttons over the crane controls. These buttons would not convert the Hollycrane machines into free play machines but would merely provide a more attractive control for the crane. [ ] advised that the shipment was made by U. S. Mail bearing insured #507377 from St. Paul to New Orleans.

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- REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN -

NO #71-244

ADMINISTRATIVE:

One copy of this report is being furnished to the Detroit Office for information in view of the possible future connection of Donald Fielding & Company, Windsor, Ontario, Canada.

INFORMANT:

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REFERENCE:

Report of SA , Minneapolis, 2/27/52.

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## Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: March 20, 1952

FROM : SAC, Omaha (71-206)

SUBJECT: [REDACTED] was., et al  
ITGD - CONSPIRACY

Rerep SA [REDACTED], 71-3129-118, Washington, D.C., 2-21-52.

For the information of the Minneapolis Office and the use of the USA at St. Paul, Minnesota, there are being sent to the Minneapolis Office with a copy of this letter, two photostatic copies of the documents contained in the file of the Attorney General of the United States concerning the Mayflower Distributing Company as relates to Public Law 906.

For the information of the Minneapolis Office, rerep reflected that [REDACTED], Official Registrar of Records, Room 3524, U. S. Department of Justice, Washington, D. C., produced photostatic copies of all inventories and correspondence both received by the Attorney General and transmitted by the Attorney General, from and to the Mayflower Distributing Company.

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The documents above referred to consisted of the following:

Letter from [REDACTED] to W. D. JOHNSON, dated 8-14-51.  
 Letter from [REDACTED] to W. D. JOHNSON, dated July 27, 1951.  
 Letter from [REDACTED] to W. D. JOHNSON, dated June 30, 1951.  
 Two page letter from [REDACTED] to W. D. JOHNSON dated 6-13-51.  
 Two page letter from W. D. JOHNSON to Attorney General dated 1-30-52.  
 Two affidavits, signed [REDACTED] and [REDACTED]  
 Letter from W. D. JOHNSON to Attorney General dated 11-30-51.  
 Inventory list marked "C".  
 Two page inventory list.  
 Letter from W. D. JOHNSON to Attorney General dated 12-31-51.

71-206

CGM:ek

Encls. (Registered Mail to Mpls)

cc: Minneapolis

EX-83

64 MAR 31 1952 842

RECORDED - 164

71-3129-126

MAR 24 1952  
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OM 71-206

Six page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
10-31-51.  
Seven page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
10-1-51.  
Six page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
8-31-51.  
Six page inventory list.  
Envelope addressed to Attorney General, Registered,  
postmarked 8-30-51.  
Letter, two page, from W. D. JOHNSON to Attorney General  
dated 8-3-51.  
Letter from W. D. JOHNSON to Attorney General dated  
6-18-51.  
Letter from W. D. JOHNSON to Attorney General dated  
7-31-51.  
Six page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
7-20-51.  
Six page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
6-30-51.  
Record of Sales and Deliveries.  
Six page inventory list.  
Letter from W. D. JOHNSON to Attorney General dated  
6-4-51.

Inasmuch as the copies of documents above itemized appear to relate generally to the operation of the Mayflower Distributing Company of St. Paul, Minnesota, rather than specifically to captioned case, the matter of investigation based upon the above documents is being left to the decision of the Minneapolis Office.

SAC, Minneapolis

March 20, 1952

Director, FBI

[redacted] was., et al  
ITOGD

G.I.R. 61-3127-1

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During the course of this investigation the problem has been raised as to the administrative handling of related investigations which have been developed as an outgrowth of the activity of Subject [redacted]. A review of the files in this matter reflects that the activity of [redacted] in his dealing in gambling devices is directly tied into the Mayflower Distributing Company and the Pastor Distributing Company. It would therefore appear logical that the investigation in this matter should continue to be reported in the case captioned, "[redacted] was., et al," until such time as prosecution is completed in regard to [redacted] activity in the Omaha Division. Following completion of prosecution concerning [redacted], consideration will be given to the changing of the office of origin in this case to the Minneapolis Office for the completion of any investigation remaining in regard to the Pastor Distributing Company and the Mayflower Distributing Company.

cc-Omaha

AMB:mc  
*mc*

RECORDED

41-3127-127

EX-23

MAR 25 1952  
86

- Tolson \_\_\_\_\_
- Ladd \_\_\_\_\_
- Nichols \_\_\_\_\_
- Belmont \_\_\_\_\_
- Clegg \_\_\_\_\_
- Glavin \_\_\_\_\_
- Harbo \_\_\_\_\_
- Rosen \_\_\_\_\_
- Tracy \_\_\_\_\_
- Mohr \_\_\_\_\_
- Tele. Rm. \_\_\_\_\_
- Nease \_\_\_\_\_
- Gandy \_\_\_\_\_

61 APR 1 1952

COMM - FBI  
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FBI - MINNAPOLIS  
RECEIVED

*RLK*

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## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: March 28, 1952

FROM : SAC, Minneapolis (71-251)

SUBJECT: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

ReBulet dated February 11, 1952, entitled INPLRSTATE  
TRANSPORTATION OF GAMBLING DEVICES, MINNEAPOLIS DIVISION and  
Minneapolis letter to the Bureau, dated March 7, 1952, in  
instant matter.

[redacted], Office Manager, Non-Commissioned Officers  
Mess, International Airport, advised SA [redacted] that  
during the year 1950 the St. Paul, Minneapolis International  
Airport was known as the 2465th Air Force Reserve Training  
Center, Wold Chamberlain Field. He indicated that during this  
period there was an officers club as well as a Non-Commissioned  
Officers Mess which maintained gambling devices at their  
respective establishments located at the above Training Center.

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[redacted] indicated that shortly before January 2, 1951, he was  
instructed by his superiors to dispose of the gambling devices  
which were located at the above mentioned reserve training center.  
After receiving instructions to dispose of these machines he  
indicated that contact was made with the Daves Distributing  
Company, 1815 Riverside Avenue, Minneapolis, Minnesota, by  
Technical Sergeant [redacted] now located at USAF,  
Orlando, Florida. Sergeant [redacted] made arrangements to sell  
both the gambling devices maintained by the Non-Commissioned  
Officers Mess and the Officers Club to the Daves Distributing  
Company for \$920.00. As evidence of this transaction he produced  
an invoice #647, dated December 30, 1950, which indicated that the  
Non-Commissioned Officers Mess was given credit for twelve "bells"  
for a total of \$920.00. The invoice indicates this amount was to  
apply on the purchase of five pinball and one cigarette machine  
with a total value of \$2484.50. This left a balance due to the  
Daves Distributing Company amounting to \$1564.50.

[redacted] indicated at the time of this transaction the Officers  
Club was so small and its operations so limited that financial  
assistance had to be given the Officers Club by the Non-Commissioned  
Officers Mess. He stated that the Officers Club had approximately  
three or four gambling machines, which were in operation at the Club.

WMS:DAD

71-161

RECORDED - 41

71-3129-128

71-4498-2

MAY 1 1952

MAY 1 1952

Memo, DIRECTOR, FBI

3/28/52

Re: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

and which were owned by the Club. According to [ ] this Club had only about two gambling devices which were in operation and also had various parts of gambling devices which would amount to approximately an additional gambling device.

[ ] exhibited a statement dated December 29, 1950, from the Officers Club, 2465th Air Force Reserve Training Center, Wold Chamberlain Field addressed to the Non-Commissioned Officers Club which acknowledge the receipt of the following gambling devices:

TYPE OF MACHINE	AMOUNT	SERIAL NUMBER	VALUE
Mills	25¢	MLB5031	\$20.00
Mills	25¢	MLB2500A	20.00
Jennings	10¢	1711	50.00
Jennings	10¢	139454	50.00
Standard Chief	5¢	169206	50.00
Mills	5¢	MLB2572	20.00
Mills	5¢	No serial	5.00
Mills	5¢	No serial	5.00

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This statement indicates that the Officers Club was given credit for a total of \$220.00.

According to [ ], the Non-Commissioned Officers Mess disposed of the following machines and that they were indicated as follows:

TYPE OF MACHINE	AMOUNT	SERIAL NUMBER	VALUE
Standard Chief	25¢	169460	None given
Jennings Tic Tac Toe	5¢	173651	" "
Jennings Tic Tac Toe	10¢	173631	" "
Standard Jennings	5¢	159144	" "
Type not indicated	25¢	173658	" "
Type not indicated	10¢	173650	" "
Type not indicated	5¢	463451	" "

Memo, DIRECTOR, FBI

3/28/52

Re: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

According to [redacted], the above machines were all in fair operating condition and constituted the balance of the machines disposed of to the Daves Distributing Company. [redacted] indicated that the previously mentioned machines at the Officers Club consisted of parts of gambling devices for the most part and he did not believe there were more than three machines in operating condition out of the eight listed. He indicated that the Officers Club was given a very liberal valuation on their eight machines due to their dire financial circumstances at the time.

[redacted], Daves Distributing Company, 1815 Riverside Avenue, Minneapolis, Minnesota, residence 1526 Queen Avenue North, Minneapolis, Minnesota, advised that company has been in operation for approximately one year and is owned and controlled exclusively by the Mayflower Distributing Company, St. Paul, Minnesota. Daves Distributing Company acts as a distributing outlet for the Mayflower Distributing Company and its operations are entirely controlled by the Mayflower Company. [redacted] indicated he works on a salary and is paid by the Mayflower Distributing Company as are all the other expenses in connection with the operation of the Daves Distributing Company.

[redacted] vaguely recalled a transaction with the Non-Commissioned Officers Club, 2456th Air Reserve Training Center, Wold Chamberlain Field, Minneapolis, Minnesota, involving the trading of approximately fifteen gambling devices which were to apply on the purchase of three pinball games and one cigarette machine. [redacted] stated he could not recall ever seeing any of the machines which were traded in by the Non-Commissioned Officers Club but recalled that someone representing this Club described the machines to him indicating that they had shopped around at other places. Without seeing the machines he agreed to allow the Club a total of \$920.00 and believes that the gambling devices which were located at the Non-Commissioned Officers Club were delivered directly to the Mayflower Distributing Company at St. Paul, Minnesota.

As evidence of the transaction [redacted] produced an invoice number

Memo, DIRECTOR, FBI

3/28/52

Re: 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

494 for the Daves Distributing Company, dated January 4, 1951, which indicated that the following pinball machines which he indicated were not gambling devices were sold to the Non-Commissioned Officers Mess, 2465th Air Force Reserve Training Center, Wold Chamberlain Field, Minneapolis, Minnesota.

TYPE	SERIAL NUMBER	AMOUNT
Turf King	1552	\$645.00
Winner	4691	595.00
United Fourway Bowler	11083	375.00
Keeney Cigarette Machine	7592	269.50
Arizona	15327	225.00
United Fourway Bowler	1089	375.00
	Total	2484.50
Trade-in Allowance		920.00
Balance due		1564.50

[ ] also produced a credit invoice number 75, dated January 4, 1951, issued by the Daves Distributing Company to the Non-Commissioned Offices Mess, Wold Chamberlain Field as follows:

12 slots	\$420.00
1 photofinish	200.00
1 Kentuck	200.00
1 Canasta	100.00
Total	920.00

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It should be noted that no serial numbers were indicated for any of the above slots or other gambling devices listed on this invoice.

[ ] stated that he feels certain tha the Mayflower Distributing Company in St. Paul, Minnesota, which received the machines mentioned in this memo from the Non-Commissioned Officers Mess, have complete records concerning the gambling devices received from the Non-Commissioned Officers Mess.

Memo, DIRECTOR, FBI

3/28/52

Re; 2465th AIR FORCE RESERVE TRAINING CENTER  
WOLD CHAMBERLAIN FIELD  
MINNEAPOLIS, MINNESOTA  
ITOGD

Since the investigation indicated above reflects that the Daves Distributing Company is owned, controlled and operated by the Mayflower Distributing Company, St. Paul, Minnesota, all additional investigation in this matter will be conducted in connection with the case entitled [REDACTED] was. et al ITOGD, Minneapolis file 71-161.

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71-3129 - 1287  
ms

## FEDERAL BUREAU OF INVESTIGATION

FORM NO. 1

THIS CASE ORIGINATED AT

OMAHA

FILE NO.

REPORT MADE AT <b>OMAHA, NEBRASKA</b>	DATE WHEN MADE <b>3-12-52</b>	PERIOD FOR WHICH MADE <b>10-24, 26, 27, 29, 30; 11-1, 2, 7, 8, 9, 15, 16; 20, 21, 22, 27, 28, 29; 12-3, 4, 10, 11, 12, 13; 14, 19-51; 1-2, 3, 4, 8; 9, 10, 11, 15, 21, 28; 2-5, 6, 7, 8, 11, 14, 16; 19, 25-52</b>	REPORT MADE BY <b>[REDACTED] - RMF</b>
TITLE <b>Was., ET AL</b>		CHARACTER OF CASE <b>INTERSTATE TRANSPORTATION OF GAMBLING DEVICES CONSPIRACY</b>	
SYNOPSIS OF FACTS: <p>Information concerning procurement of/or efforts to purchase slot machines in north-central Iowa by [REDACTED] during December, 1950, and subsequent to 1-2-51, set forth together with information supplied by [REDACTED] Osage, Iowa, who acted as a contact for HERMAN PASTER in that area in lining up available slot machines for purchase. Results of other investigations set forth.</p> <p style="text-align: center;">- P -</p> <p>DETAILS: <u>AT LeCLAIRE, IOWA:</u></p> <p>[REDACTED] contacted on numerous occasions throughout the period covered by this report, furnished the following information.</p> <p>Repeated efforts to locate the letter received by him from HERMAN PASTER during February, 1951, in which PASTER instructed him to give preferred attention to the procurement of slot machines, have been unavailing.</p> <p>Concerning said letter, [REDACTED] has stated that [REDACTED] dated at an unknown date during February 1951 and was type-written, signed autographically in ink by HERMAN PASTER as "HERMAN". The letter was on the stationery of the Mayflower Distributing Company of St. Paul, Minnesota, and consisted of one page. The opening portion of the letter congratulated [REDACTED] on having done a "good job". The remainder of the letter pointed out that business was generally slow and that</p>			
APPROVED AND FORWARDED: <i>J. L. Dalton</i>		SPECIAL AGENT IN CHARGE	
COPIES OF THIS REPORT 3 - Bureau (71-3129) 1 - USA Des Moines 1 - USA Sioux City 1 - Chicago (Info) (71-514) 3 - Minneapolis (71-161) (1-USA St. Paul) 1 - Omaha (71-206)		DO NOT WRITE IN THESE SPACES <b>71-3129-128</b> <b>RECORDED - 75</b> <b>EX-130</b> <b>STAT. SECT.</b>	

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APR 16 1952



OM 71-206

substantial profits could be reaped by lining up for purchase available slot machines, the whereabouts of which were known to, or could be learned by [REDACTED]. PASTER pointed out in the letter that impending legislation in the Iowa State Legislature imposing very stiff penalties for the mere possession of slot machines, should serve to enable their ready purchase at nominal sums and he instructed therein that [REDACTED] should give immediate and preferred attention to lining up such machines as might be available for purchase.

Concerning other persons who might have seen said letter, [REDACTED] stated that he permitted [REDACTED] to read same immediately after he had read it and that she was familiar with its contents in a general way. He knew this because they discussed the letter at the time.

[REDACTED] upon viewing a photograph of ALBERT GARDNER, was., FBI #263270, positively identifies GARDNER as the individual who brought a truck from Minneapolis or St. Paul, Minnesota to Davenport, Iowa, on or about March 2, 1951, and met [REDACTED] on the morning of that date with said truck, later assisting [REDACTED] in transporting slot machines purchased from the American Legion Post #26, at Davenport, Iowa, to Rock Island, Illinois, and later assisting [REDACTED] in loading additional machines purchased from said post into the truck at a warehouse in Rock Island, Illinois, together with machines purchased from W. C. KANOOP of Davenport, Iowa, which were also in storage at Rock Island, Illinois.

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Concerning the truck utilized on that occasion, [REDACTED] inspected various photographs made available by the Minneapolis Office, of a 1947 Dodge Vannette truck, maroon in color, property of the LARSON Transfer Company, 2010 - 21st Avenue, South, Minneapolis, Minnesota, and stated that the markings on the truck depicted in said photographs were identical with those on the truck into which the slot machines were loaded by [REDACTED] and GARDNER at both Davenport, Iowa, and Rock Island, Illinois, on March 2, 1951.

[REDACTED] went into detail on this point and stated that the truck which he had observed on that occasion bore a picture of a bird and/or an airplane with the words "capital airlines air freight" on the side. [REDACTED] also observed that the lettering was in yellow as he recalled it and that the body of the Vannette truck was maroon with portions thereof in a light blue color.

It is to be noted, however, that [REDACTED] recalls that the truck which he saw on that occasion had a metal tail gate extending upward from the rear platform of the truck to a height of approximately 18 to 24 inches, the remainder of the rear opening of the truck being open and covered with canvas curtains, probably brown or khaki colored. At first [REDACTED] seemed

OM 71-206

very definite on this point but he later stated that he could have been mistaken about the type of truck used. He stated, in conclusion, with reference to the truck, that either the truck, of which pictures were exhibited to him, was used in the transportation of the above-mentioned slot machines or one marked identically in the same manner and presumably the property of the same firm.

[redacted] upon interview, advised that she is acquainted with [redacted] representative of the Mayflower Distributing Company, St. Paul, Minnesota, and said that on several occasions subsequent to January 2, 1951, [redacted] was a guest in her home for dinner or on other occasions for brief periods of time. She said that she has no knowledge concerning the purchase of slot machines by [redacted] in the Davenport area other than by hearsay, but that she does recall that on numerous occasions he indicated that he was very anxious to acquire for his boss [redacted] HERMAN PASTER, all available slot machines and that he frequently remarked that the PASTER Interests could dispose of all of the machines they were able to obtain.

She further recalls that [redacted] stated, probably during February 1951, that at one time the PASTER Interests had been able to obtain the services of a trucker who used his own equipment and transported large quantities of slot machines from St. Paul, Minnesota, or its environs, to distant points. She stated that she could not be certain of any of these distant points except New Orleans, Louisiana, but that she was certain that [redacted] indicated in some manner that PASTER Interests were and had been shipping large quantities of slot machines to that point. [redacted] says that it is also her recollection, possibly erroneous, that they were also shipping large quantities of slot machines by truck from St. Paul, Minnesota, to upstate New York and to unidentified points within the State of Arizona. She stated that she was certain, from what [redacted] said, that the PASTER Interests were still engaged in shipping slot machines as above-mentioned subsequent to January 2, 1951, as she is positive that some of her conversations with him took place during February 1951 at which time [redacted] indicated that the PASTER Interests were still anxious to acquire any slot machines that they could buy, presumably for shipment to distant points.

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She also recalls that [redacted] mentioned during this approximate period, that the trucker whose services they had previously been able to obtain, had "backed out" because he learned that he was handling illegal cargo and that thereafter persons identified with the PASTER Interests, probably including [redacted], personally transported the machines by truck themselves.

Upon inquiry it was ascertained that [redacted] recollection of the letter from HERMAN PASTER to [redacted] dated during February 1951, was substantially the same as that of [redacted] in that she used practically the identically same language describing its appearance and contents.

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[ ] stated that she has no objection to furnishing the foregoing information but that same constitutes her full and complete knowledge of matters pertinent to this case and that she very much prefers not to be called as a government witness for that reason.

As an after thought, [ ] stated that she was at home one afternoon during late February or early March, 1951, she could not fix the date exactly, when [ ] received a long distant telephone call from [ ] in St. Paul, Minnesota. She recalled that the conversation lasted about fifteen minutes and that at the conclusion thereof [ ] [ ] laughingly remarked that [ ] was very much worried because he felt that he was under observation at the time because of his activities in purchasing and transporting in interstate commerce slot machines in violation of the Federal laws. She said that it was her recollection that [ ] had some knowledge of the fact that [ ] had planned to go to Davenport, Iowa that day in order to pick up an unknown quantity of slot machines for which he had previously made purchase arrangements, intending to transport them by truck from Davenport, Iowa, to St. Paul, Minnesota. She further recalled that her husband mentioned that [ ] was very "jittery" and appeared to be of the opinion that his telephone wires were tapped because he made several indirect references to that possibility during the conversation. In addition, and by what [ ] [ ] considered absurd in direction, he inferred that things were "too hot" and that he desired to let the acquirement of the slot machines in Davenport, Iowa, rest for the time being.

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[ ] assumed from this that [ ] was aware of the contacts in Davenport which [ ] had previously made and that it was to be [ ] [ ] function to temporarily cancel the pick-up arrangements which [ ] had made.

The following investigation was conducted

AT DAVENPORT, IOWA:

[ ] American Legion Post #26, was shown the available photographs of subjects [ ] and GARDNER for identification purposes. He pointed out that the photograph of [ ] was of a very young man with a full head of hair whereas it was his recollection that the [ ] with whom he had dealt for the Post's slot machines on March 1 and 2, 1951, was middle aged and bald. He was unable to effect any identification from that photograph.

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With relation to the photograph of <sup>①</sup>ALBERT GARDNER, [ ] stated that this appeared to be a reasonable likeness of the man that had assisted [ ]

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in loading slot machines into a truck at Davenport, Iowa, and immediately thereafter, at the Voss Brothers Warehouse in Rock Island, Illinois. He pointed out that he would not desire to be understood as having made a positive identification of this photograph for the reason that the same appears to depict that a much younger man than he saw on that occasion, but that allowing for the elapse of time between the time the photograph was taken and the above dates, and having been furnished with the present physical description of ALBERT GARDNER, he stated that he was of the opinion that the photograph was probably that of the man he saw on that occasion.

[ ] when shown the above-mentioned photographs of the 1947 Dodge Vanette Truck of the Larson Transfer Company, Minneapolis, Minnesota, advised that the truck depicted in said photographs bore a definite resemblance to the one into which [ ] had loaded slot machines at Davenport, Iowa, and Rock Island, Illinois, on or about March 2, 1951. He stated that he was unable to state positively that it was the same truck which was depicted in the photographs but that he is reasonably convinced because of the markings as depicted in the photographs, that the truck belongs to the same concern.

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Confidential Informant [ ], of known reliability, contacted on several occasions throughout the period covered by this report, advised that no further pertinent information had come to the attention of the Informant which the writer reported.

WILLIAM C. KANOOP, Proprietor of Kanoop's Tavern, Davenport, Iowa, advised that he has been unable to find any papers or documents indicating the serial numbers of the slot machines which he sold to [ ] on or about March 2, 1951, and he stated that he is unable to furnish any further additional pertinent information.

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[ ] of the Moose Lodge, advised that on no occasion has he, or to his knowledge, any other officer been approached by [ ] or any other individuals seeking to purchase slot machines previously owned by the lodge. He stated that he is not acquainted with [ ] or any other representative of the Mayflower Distributing Company of the Paster Distributing Company, to the best of his knowledge.

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Confidential Informant [ ], of known reliability, advised that a call made from [ ] at room #931, Blackhawk Hotel to Hilltop 4-5425, Milwaukee, Wisconsin, was incorrect and that the number actually called at the Hilltop Exchange was 4-5625. He advised that this call was placed at 10:58 a.m. on March 2, 1951 to "PASTER" personally and that the charge for the call appeared to be \$1.45 plus .36 tax.

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[ ] Blackhawk Hotel, advised that in the event it is desired by the government to subpoena any records or documents belonging to said hotel that such subpoena should be addressed either to him or to [ ] of the Hotel, as a substitute.

The following investigation was conducted by SA [ ] at Davenport, Iowa.

[ ] of the American Legion Post #26, when exhibited a photograph of [ ] taken in 1939, advised that he could not identify the individual thereby depicted as being the man with whom he discussed the sales of the slot machines of that post in Davenport, Iowa, on March 1, 1951. But he pointed out that the individual depicted in the photograph is a much younger man and that because of the fact he only saw this individual on one occasion, that he would be unable to visualize the probably changes in the man's appearance during the twelve intervening years.

[ ] Davenport Elks Lodge, advised that he could not recognize the photograph of [ ] as the individual thereby depicted bore no similarity between the individual who made tentative arrangements for the purchase of the Elks Lodge slot machines during the early part of March, 1951.

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[ ] an officer of the Davenport Elks Lodge, advised that he was unable to make any positive identification on the photograph of [ ] exhibited to him but he stated that he is positive that he could identify the individual who negotiated for the purchase of the Elks slot machines during March, 1951, if he should see him personally on any subsequent occasion.

[ ], an officer of the Davenport Elks Lodge, advised that in his opinion the photograph of [ ] taken in 1939 somewhat resembles the man who negotiated for the purchase of the Elks machines during March 1951, but that if he had been shown the same photograph without any intimation that it was one of the same individual, he would not have been able to recognize or identify it.

[ ], another officer of the Davenport Elks Lodge, advised that he notes a slight similarity in the appearance of the individual depicted by the photograph with [ ] and the man whom he heard make tentative arrangements for the purchase of the Elks slot machines during March of 1951, but he stated that he did not want to be understood as having made an identification of that individual on the basis of the photograph.

The following investigation was conducted at Mason City, Iowa, by SA [ ] and the writer.

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[redacted] resident of Osage, Iowa, and [redacted]  
[redacted] of that city, upon interview, gave the following  
signed statement voluntarily:

"Mason City, Iowa  
December 11, 1951

"I, [redacted], make the following signed statement  
freely and voluntarily to [redacted] and [redacted]  
[redacted], who have identified themselves to me as special agents  
of the Federal Bureau of Investigation. No threats or promises  
have been made to me to get me to sign this statement. I know  
I do not have to make a statement. I also know that I am entitled  
to have an attorney before I make such a statement.

"I am 39 years of age, being born at [redacted]  
[redacted] I am [redacted], operating out  
of Osage, Iowa, the latter city being my legal address.

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"I have known Herman Paster, who is either the owner or who  
controls both the Paster Distributing Company and the Mayflower  
Distributing Company, St. Paul, Minnesota for approximately five  
years. Paster has done business with me personally and through  
these two companies, having sold me merchandise and loaned money  
to me.

"I cannot recall the date, but I believe that it was during  
December, 1950 that I received a call from Paster from St. Paul  
to my office at Osage by long distance telephone. He said that  
he was anxious to purchase any available slot machines and asked me  
if I knew where there were some slot machines which were available  
for purchase. I said I knew there were some slot machines in the  
general area where I did business, mostly in the various clubs  
located in the cities where I do business myself. This I inferred  
was in Northcentral, Iowa. I said I could ascertain by contacting  
the various officials of these clubs whether they would sell their  
machines. Paster said he would pay me a commission on any slot  
machine which I could line up, so he could purchase same. We never  
discussed the details of the commission, and I never to this day  
received any money as the results of my efforts in lining up  
machines.

"I agreed that after contacting club officials, I would either  
contact Paster or have the clubs to contact Paster themselves. I  
don't recall the prices that he said he was willing to pay to the

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Signed statement of [ ] continued:

"clubs for various models of slot machines, but I have the general recollection that I considered the prices to be very low and to represent only small fractional portions of original purchase prices of the various models.

"Paster mentioned in the aforementioned telephone call to me that the Federal statute prohibiting the interstate transportation of slot machines would take affect very shortly, and he said this fact could be used as a sort of a leverage to induce the owners of the slot machines in my area to sell their machines at low prices. Paster also said I should let him know what places I had contacted and lined up machines for possible purchases. He added that he would send [ ] whom I knew to be an employee of Herman Paster, [ ] to negotiate for the purchase of any slot machines of which I was able to tentatively line up. Paster said that [ ] would finally make each purchase.

"Either the same day or the following day, I telephonically called by phone [ ] Elks Club, Iowa Falls, Iowa; [ ] [ ] Knights of Columbus Club, Charles City, Iowa; [ ] Castle, Elks Club, Charles City, Iowa; [ ] Moose Club, Charles City, Iowa; [ ] VFW Club, Charles City, Iowa; [ ] Amvets, Mason City, Iowa; [ ] Elks Club, Mason City, Iowa; [ ] Allivets Club, Clear Lake, Iowa. I also believe, but I am not sure, that I contacted the representatives of the Elks and Moose Lodges at Webster City, Iowa and the American Legion and Country Club, Osage, Iowa. I also believe I telephoned the VFW at Forest City, Iowa in this regard.

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"At the above time, [ ] Iowa Falls, Iowa was in my employ, I also advised [ ] about Herman Paster's proposition to me and rather believe I instructed him to contact proper persons at the various clubs in the vicinity of Iowa Falls, Iowa, where he knew that slot machines had been located. [ ] later advised me that he had contacted the VFW, Country Club, and American Legion Clubs at Eldora, and the Legion, Moose, Elks, and Country Club at Iowa Falls, Iowa.

"Except for the above mentioned places contacted by [ ] I then knew that all of the places which I contacted as above mentioned owned slot machines in various numbers ranging from three at the Osage Country Club to thirteen at the Moose Lodge at Charles City.

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Signed statement of [ ] continued:

"In contacting each of the above clubs, I suggested that the matter of sale of their slots be taken up with the appropriate officers of each club and was uniformly advised by the persons I contacted that this would indeed be done. I also furnished each of these individuals with the name and telephone number of Herman Paster of St. Paul, Minnesota and told each such person that when each club reached a decision that they could either call me or contact Herman Paster direct.

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"At this point, I desire to state that the bill covering my office telephone charges would undoubtedly indicate the dates on which I contacted each of the above mentioned people; that the day Paster called me, mentioned previously, would have been the same date or the day previous to the date I placed these calls.

"As the results of the contacts [ ] and I made with the various clubs, I have since learned that Paster, probably through [ ] purchased the following machines: Elks Club, Iowa Falls; Knights of Columbus, Moose, and VFW, Charles City, Iowa; and Amvets, Mason City, Iowa. I never followed all of the original contacts up, so I am not able to state positively that the above mentioned clubs were the only ones who sold to the Herman Paster interests as the results of my contacts.

"A few days after Paster called me originally in connection with me purchasing or assisting in the purchasing of slot machines for him, I telephonically contacted Herman from my office in Osage and furnished to him the list of names and clubs set out in paragraph two of page two of this statement, advising Paster that these people would either be in touch with him or he could get in touch with these clubs himself. He told me he was making a list of these clubs and the people I had contacted at these clubs and would eventually be in touch with them.

"I never heard anymore from Paster or any of his representatives about the foregoing matters until sometime of the Spring, 1951, when I had the occasion to go to St. Paul and see Herman about some matters of business. At that time, Paster and I had a conversation about the slot machines which he had purchased or caused to be purchased in Northcentral Iowa and I raised the point of commissions which he had failed to pay or credit me with. I said something concerning that I had estimated that he must of have purchased about 100 slot machines as the results of my contacts for



Signed statement of [ ] continued:

"him in the above mentioned area. He said, 'To the hell you did'! He asked W. D. Johnson, his bookkeeper, to bring a list of machines which he had purchased in my area. He did not show this list to me, but he said that same showed there were only 46 machines for which Johnson verified by an oral statement to me. I wish to state, however, that I did not receive any money or credit or other things of value for my services in assisting in obtaining the slot machines. I wish also to state that I am not familiar with the details of the purchases or transportation of any of the slot machines from the North Central Iowa area by Paster or any of his representatives.

"During the Spring, 1951 I had a conversation with [ ] at the office of the Paster Distributing Company, St. Paul, Minnesota, at which time [ ] told me that approximately the day before that he had arrangements made to drive a truck to some unstated point in the state of Iowa to pick up a load of slot machines and that he had left his home in Minneapolis, Minnesota in a car and was proceeding to the Paster Distributing Plant in St. Paul to pick up a truck in which he was to use in transporting the slot machines. Having taken another route upon having noticed that he was being followed by a strange automobile, he became suspicious that he was under observation and noted the license number of the car which was following him. On arrival at the Paster office, he gave the number to [ ] Allen Nilva, who checked at the various official sources and found out that it was a government registered car. He said these type of sources are readily available to [ ] Allen. [ ] also told me that he had told Herman Paster shortly after this incident on the same morning that he had been followed by a government car; that Paster told [ ] to forget about the trip to Iowa and to do nothing about picking up the slot machines at that time.

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"About a month ago, I was in St. Paul and saw Paster, at which time I jokingly remarked to Paster that the FBI was looking for him. Paster's retort to this was, 'I didn't buy those slot machines. [ ] bought them.' He was referring to [ ] Paster also said, 'Those machines were not paid for by check, they were paid for by cash'.

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Signed statement of [ ] continued:

"I have read the above statement, which consists of three and a fraction pages, initialed all corrections and additions, and am signing my name to each page showing it is true and correct to the best of my knowledge.

X [ ]

"Witnessed by:

" [ ] 12/11/51 Special Agent, FBI, Omaha, Neb.  
" [ ] Special Agent, FBI, Omaha, Neb."

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In addition to the information contained in the afore-going statement, [ ] stated that during June or July, 1951, a man whom he knows only as [ ] of the Automatic Games and Supply Company, St. Paul, Minnesota, was overheard talking with one [ ] of that company, about HERMAN PASTER.

At that time [ ] said that HERMAN PASTER was going to "Clean up" on the sale of some slot machines. [ ] then said, "Yes, if he doesn't get caught, and that HERMAN was just then sweating out three loads of slot machines." [ ] said that from the remainder of the conversation he concluded that [ ] and [ ] were talking about three full semi-trailer truck loads of slot machines which were then intransit, presumably from the St. Paul - Minneapolis area to some undetermined point far removed and probably in another section of the country.

[ ] continued that during the latter part of 1950, PASTER bragged to him personally that he had accumulated a huge quantity of slot machines and was either going to make or lose a fortune on the disposition thereof. Upon reflection, [ ] stated that it was entirely possible that PASTER had made this statement sometime during the early part of 1951, rather than previous thereto.

[ ] stated that he also heard rumors during the latter part of 1950 or early 1951, that HERMAN PASTER and ALLEN NILVA, [ ] had gone to Las Vegas, Nevada and had travelled around the western states buying up slot machines at distressed prices.

[ ] stated that he has always liked PASTER personally in spite of the fact that he realized that PASTER has brought a sort of shady reputation

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to the entire coin operated machine industry in the middle west because of the standards of his business ethics. [ ] stated that he is not anxious to testify as a government witness but would stand back of the information above furnished to him in the event that he should be subpoenaed at a latter date.

[ ] advised that he was unable to supply any additional information which might, in his opinion, appear to be pertinent to instant investigation.

The following investigation was conducted at Osage, Iowa, by SA [ ]

[ ] above mentioned, after reviewing his paid telephone bills for the period October 1950 to March 1951, advised that he is sure that it was on the morning of February 26, 1950, that he received the telephone call from HERMAN PASTER mentioned in the above quoted signed statement and that he was able to specifically determine that it was on this date for the reason that he recalls that he made several telephone calls to contacts outside of Osage, Iowa, the cost of which were charged to his phone and reflected by his bill, both later on the same date and the date thereafter.

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[ ] made available the telephone bill of [ ] Osage, Iowa," dated January 4, 1951, which was the bill including the total charges for his telephone for the month of December, 1950, to which statement he referred to as above mentioned. This statement is being reserved in the Omaha case file as an exhibit.

The following investigation was conducted by SA [ ] at Fort Dodge, Iowa, and vicinity.

The following managers and officials of private clubs were contacted by SA [ ] and SA [ ] and with the exception of those two instances listed separately herein, they all denied having been contacted by [ ] or any other operator for the purchase of slot machines or other gambling devices, and all denied knowing [ ]:

[ ] of the Fort Dodge Country Club, Fort Dodge, Iowa, advised that fifteen slot machines belonging to the club were destroyed in February, 1951. The only dealer known to [ ] was a man by the name of [ ] dealing in amusement devices at Fonda, Iowa.

[ ] of the Veterans of Foreign Wars is still in possession of their machines and will advise if ever contacted for their purchase at a later date.

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[redacted] of the 34th Division Club, Fort Dodge, Iowa, sold slot machines through the Billboard Magazine advertisement two years ago.

[redacted] Elks Club, Fort Dodge, Iowa, is still in possession of slot machines and will advise if contacted for their purchase at a later date.

[redacted] Moose Club, Fort Dodge, Iowa, had not been approached by anyone for the purchase of their machines but claims they were disposed of. He refused to divulge further information as if he admitted possession of them, he feared he would be taxed on the event he sold them and he feared he would be as much in the wrong as the person buying and transporting them.

[redacted] American Legion Post #130, Fort Dodge, Iowa, advised machines in storage and he has not been approached by anyone concerning their disposal.

[redacted] of the Amvets Club, Fort Dodge, Iowa, has not been approached for the purchase of their slot machines.

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[redacted] Disabled American Veterans, Fort Dodge, Iowa, has not been approached for the purchase of their machines, but has four machines in storage and will advise if any contact is had in the future concerning them.

[redacted] Board of Trustees, Elks Club, Estherville, Iowa, advised that the Elks Club has several slot machines on hand and no one has attempted to purchase these machines.

[redacted] of the H & O Transfer Company and Treasurer, Moose Club, Estherville, Iowa, advised that the Moose Club has operated machines, and that these machines are presently in storage. [redacted] advised that he would notify the FBI if anyone approached him in an attempt to buy any slot machines.

[redacted] of the American Legion Club, Clarion, Iowa, advised that the club has not operated slot machines for over two years and that the machines were destroyed in October, 1950. He advised that he has not been contacted by anyone attempting to purchase the machines and would notify the Federal Bureau of Investigation if any attempt is made in the future.

[redacted] of the Emmetsburg Country Club, Emmetsburg, Iowa, advised that the Country Club has had no slot machines since October, 1950. She stated that she has not been approached by anyone attempting to purchase slot machines.

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[redacted] of the American Legion Post, Pocahontas, Iowa, advised that the Legion Club does not own any slot machines and they have not been contacted by anyone attempting to purchase slot machines.

[redacted], Elks Club, Webster City, Iowa, advised that the Elks Club does not operate machines any more and they have not been approached by any distributors attempting to purchase slot machines.

[redacted] Moose Club, Webster City, Iowa, advised that he has not been approached by any individual attempting to purchase slot machines during the past two years.

[redacted] American Legion Club, Carroll, Iowa, advised that the Legion Club has not operated slot machines during the past year and no attempt to purchase any slot machines from them has been made. [redacted] advised that he would notify the FBI if any slot machine operator approached the American Legion Club at Carroll, Iowa.

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[redacted] of the Amvets, Rockwell City, Iowa, advised that he has not been approached concerning the purchase of any slot machines.

[redacted] Amvets, Rockwell City, Iowa, advised that he was approached during September, 1951 by an unknown man who attempted to buy two slot machines which the Amvets at Rockwell City, Iowa presently have in storage. [redacted] advised that the man had his hat pulled down over his face but he did not think this man was identical with [redacted], when [redacted] picture was shown to him. [redacted] gave the following description of the person who approached him: age - 45, weight 200 lbs, height - about 5'10", complexion - dark. [redacted] advised that he did not know this individual's name and had never seen him before. [redacted] advised that this individual seemed interested in buying the machines and said he would call back in a month or so. To date, this individual has not recontacted [redacted], and the slot machines have not been sold. [redacted] advised he would notify the FBI if further contact was made with him.

[redacted] American Legion Club, Jefferson City, Iowa, advised that the Legion Club presently is not operating and does not own any slot machines. [redacted] advised that he was approached in about August of 1951 by an individual attempting to buy slot machines. [redacted] described the man as age - 55, weight - 180, hair - gray, complexion - fair, and no scars or identifying features. This individual told [redacted] that he was from Kansas City, Missouri. [redacted] advised that he would contact the FBI if any individuals attempted to contact him regarding slot machines in the future.

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[redacted] of the Veterans Club, Emmetsburg, Iowa, advised that the club did not own or operate and slot machines and had not for about two years. He advised that about six months ago two individuals entered the club and inquired about playing the slot machines. When [redacted] explained that the club did not have any slot machines, these men stated that they had heard that the club did own slot machines. [redacted] explained that the one individual looked a great deal like the picture of [redacted] and that his description was similar. He was accompanied by another individual about thirty years old, 150 pounds, 5'9" in height, wearing a brown check suit. No mention was made of purchasing slot machines and these two individuals were told to leave the club because they did not have membership cards. [redacted] advised that he would notify the FBI if any contacts to buy slot machines were made in the future.

[redacted] of the Moose Club, Webster City, Iowa, and [redacted] [redacted], Moose Club, Fort Dodge, Iowa, both advised when their respective clubs operated slot machines that they leased these slot machines from an individual by the name of [redacted] who was formerly employed by the Miles Novelty Company and later went into business for himself. [redacted] was reported to have operated out of St. Paul, Minnesota.

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[redacted] of the Country Club, Eagle Grove, Iowa, has had no contact with anyone regarding the purchase of slot machines.

Sheriff E. BRADLEY, Humboldt County, Dakota City, Iowa, advised that there has been no slot machines operated in Humboldt County for over two years, and that the American Legion Clubs and the VFW Club in Humboldt, Iowa, have no slot machines in their possession.

EUGENE R. BOLTY, Chief of Police, Estherville, Iowa; W. WITNEBEND, Deputy Sheriff, Emmet County, Estherville, Iowa; GEORGE DAHKE, Sheriff, Calhoun County, Rockwell City, Iowa; ROBERT BLACKER, Sheriff, Wright County, Clarion, Iowa; Sheriff E. BRADLEY, Humboldt County, Dakota City, Iowa; WILBUR BAKER, Chief of Police, Eagle Grove, Iowa; E. J. REICHER, Chief of Police, Carroll, Iowa; AL THORPE, Sheriff, Carroll County, Carroll, Iowa; WILLIAM DAVIS, Sheriff, Green County, Jefferson, Iowa; V. K. BRANDT, Deputy Sheriff, Hamilton County, Webster City, Iowa, and WILLIS BELKNAP, Captain, Fort Dodge Police Department, Fort Dodge, Iowa, all advised that [redacted] was unknown to them and that he has no criminal record in any of their respective territories. They further advised that they had no information concerning dealers in slot machines contacting any private clubs or organizations in an attempt to buy slot machines or other gambling devices.

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The following investigation was conducted by SA [REDACTED]:

AT OELWEIN, IOWA:

Chief of Police PAUL GALER (NA) advised that there have been no slot machines in any of the clubs or organizations in the town since 1946 at which time the clubs were raided and over fifty machines were confiscated, along with a large quantity of liquor. He advised that in all, over \$105,000 worth of gambling devices and liquor were seized. He said that approximately twenty slot machines were confiscated from the Elks Club; about twenty six from the Moose Club, and four each from the Knights of Columbus, American Legion and Vets Club. The Chief said he is well acquainted with the local situation and is positive that there are no slot machines in the present possession of any club, organization or individual in Oelwein, Iowa. He did not know the subjects herein.

Assistant Chief of Police RAY STODDARD, Oelwein, Iowa, was separately interviewed and related the same information as above set forth. He did not know the subjects herein.

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AT INDEPENDENCE, IOWA:

Chief of Police RAY FRANCK advised that with the exception of the Country Club there were no clubs, organizations or individuals in Independence who have had possession of slot machines since 1949 when all private clubs had been raided at the instigation of one [REDACTED], a disgruntled slot machine operator who had been elected as constable in the county. He said [REDACTED] who had been convicted of illegal transportation of liquor during prohibition days, had stirred up a lot of trouble in the county and had been back of an attempt to oust from office the Sheriff, Deputy Sheriff, Chief of Police and other officials of the county on the grounds that they were not doing their duty. He said [REDACTED] is presently in Florida, exact whereabouts unknown. Chief FRANCK did not know the subjects herein.

[REDACTED] at the Security Savings Bank and [REDACTED] a clothing store salesman, both associated with the Vets Club, were not able to identify subjects and said the club has not owned slot machines since 1949.

[REDACTED] of the Country Club, confidentially advised the club owned three slot machines but had never been approached by anyone regarding their disposal. He did not know the subjects herein. He agreed to immediately notify the Omaha Office in the event he received information as to the subjects or information as to anyone else who might be purchasing slot machines in the area.

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AT DECORAH, IOWA:

Chief of Police BERT SMITHLING said that he believed most of the clubs in Decorah owned machines and probably had them hidden out in the area, however he had never heard of anyone being in Decorah to buy slot machines and did not know the subjects herein.

[redacted] of the Elks and a trustee in the American Legion Club confidentially advised that the Elks had four new machines which they owned and which were being stored, and said the American Legion also had some machines which they owned and were storing. He did not know the subjects herein and said no recent contact had been made by anyone to buy slot machines, although two years ago two unknown men from Chicago, Illinois, had contacted him and offered to buy the Elks slot machines at \$100.00 each. He said the machines were not sold to these individuals and he agreed to immediately notify the Omaha Office of the FBI in the event future contacts of this sort are made.

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[redacted] of the Activities Committee of the Odd Fellows, confidentially advised that the club owned and has stored their slot machines but that no one has recently contacted him, or any other official of the club concerning their disposal. He advised that in 1950, two unknown men from Chicago, Illinois had offered to buy the machines but that no sale was made. He agreed to notify the FBI in the event a future contact is made. He did not know the subjects herein.

[redacted] Official of the Veteran's of Foreign Wars, and [redacted] of the Decorah State Bank and a prominent member of this organization, said no one had ever contacted the club concerning the disposal of slot machines owned by them and in their present possession. Neither of these individuals knew the subjects herein.

AT ELKADER, IOWA:

FORREST FISCHER, Sheriff of Clayton County, said there were only three organizations in the County having slot machines, all of which are owned by them and are stored somewhere in the country. He said these organizations were the VFW at Elkader, the Amvets at National, Iowa, and the American Legion Club at McGregor, Iowa. He advised he was in close touch with officials of these clubs and had their confidence, and he was certain no contact had been made with them for disposal of their machines. He did not know the subjects herein. He said he would advise the Omaha Office of the FBI in the event contacts are made with the clubs mentioned, for the purpose of the sale or disposal of their machines.



OM 71-206

AT WAVERLY, IOWA:

[redacted], stated he was a member of the Board of the Country Club and that the Club owned some slot machines which are being secretly stored. He did not know the subjects and said no contact has been made by anyone to buy the machines owned by the country club. He will notify the Omaha Office in the event this event should transpire in the future. He further stated that the only other club in Waverly which presently had slot machines was the Vets Club for whom he is [redacted].

He was well acquainted with the operation and affairs of this club and said their machines were also secretly stored and that no contact had been made by anyone to purchase these machines. He further advised that [redacted] of Waverly formerly handled slot machines on a small scale and might be able to furnish information of value.

[redacted], who operates an upholstering business, said the Nautical Club formerly owned slot machines but had sold them over two years ago and did not presently own any. He advised that the management of this club had completely changed hands recently. He did not know subject GARDNER however he thought he had met subject [redacted] in the past but professed to know nothing concerning [redacted] recent activities.

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AT WAUKON, IOWA:

Sheriff WILLIAM HUFFMAN of the Allamakee County Sheriff's Office, said the only club in the county presently known to him to be in possession of slot machines, was the Vets Club of Waukon. He said the Country Club had at one time owned a few machines but had destroyed the same to his personal knowledge. He did not know the subjects and was certain that no one had purchased slot machines in the County during the pertinent period.

[redacted] of the Vets Club, Waukon, Iowa, confidentially advised that club-owned slot machines are presently being secretly stored in the County. He did not know the subjects and said no one had ever contacted the club regarding disposal of their machines. He agreed to notify the Omaha Office of the FBI in the event such contact might be made in the future.

[redacted] Lansing, Iowa, and a former Bureau Agent, advised that he had never heard of the subjects being active in the County and knew of no club or organization owning machines in the County other than the Vets Club at Waukon.

OM 71-206

AT WEST UNION, IOWA:

Sheriff FRED HOUSE, Deputy Sheriff LEON JOHNSON, and Deputy Sheriff MIKE SCHATZ of Fayette County, Iowa, all advised that to the best of their knowledge, no club, individual, or organization in the County presently owned slot machines. They stated that as the result of raids in 1949, all slot machines in the County were seized and destroyed, and they had not made their reappearance since that time. They did not know the subjects and had no information relative to their activities.

AT WATERLOO, IOWA:

[redacted] advised he had formerly been in the slot machine business to a small extent. He did not know subject GARDNER but believed he had known subject [redacted] in the past. He said that a number of years ago he had some business dealings with the Mayflower Distributing Company of St. Paul, Minnesota, however he has had no recent dealings with this company or its representatives.

He further advised that he had heard of no one being in the County during the pertinent period, for the purpose of buying slot machines from local clubs owning the same. He said he would notify the Omaha Office of the FBI in the event such information comes to his attention.

The following investigation was conducted by SA [redacted]:

[redacted] Toledo, Iowa, advised he was the [redacted] at the Cedar Falls Country Club, Cedar Falls, Iowa, 1942 - 1946, and during that time they had three slot machines which were owned by [redacted] of Shellrock, Iowa. He stated he has had no contact with this club since above time and had no acquaintance with [redacted] or any knowledge of his activities.

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[redacted] stated he has operated the Tama Country Club, Tama, Iowa, during the summers since 1948 and during the winters he is employed selling plastic toys. He stated the Tama Country Club has not had any slot machines since he has been Manager and he has at no time ever been contacted by anyone regarding the purchase or selling of any slot machines. He further stated he had no information regarding any such activity in Tama County.

The following investigation was conducted at Waterloo, Iowa, by SA [redacted]:

[redacted] VFW Post #1623, Club, Waterloo, Iowa, advised that they have disposed of their slot machines prior to 1951 and they had never owned their slot machines. [redacted] stated these slot machines

OM 71-206

used by his club were owned by the Automatic Supply Company, which was run by [redacted].

[redacted], Waterloo, Iowa, a vending machine operator, advised that he has not seen [redacted] or AL GARDNER since 1949.

[redacted] stated that he had an extreme dislike for the Paster Distributing Company inasmuch as he had bought several music machines from them and it was his opinion that the Paster Company unjustly tried to repossess them without success. [redacted] stated he would like to help furnish information which would be of assistance to the FBI as he dislikes them all and [redacted] in particular, but he knows nothing concerning any attempt to purchase slot machines and has heard nothing relative to anyone trying to buy them in Waterloo, Iowa, or surrounding area.

[redacted], doing business at the Automatic Supply Company, 1113 East 4th Street, Waterloo, Iowa, advised that he has not done business with the Paster Distributing Company in many years inasmuch as he regards them to be unworthy of trust. [redacted] stated that just after the war he made a deposit with the Paster Distributing Company for the purchase of several music machines and that none of them were ever delivered and he was nearly forced to go to court in order to get his deposit back.

[redacted] stated if any information or if anyone had been interested in buying slot machines in the Waterloo, Iowa, area, he believes he would have heard about it, but the only person who ever approached him with regard to purchasing slot machines was [redacted] who at the time was associated with the Sandler Distributing Company, Des Moines, Iowa.

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[redacted] could not furnish the exact date of [redacted] contact with him, but believed it to be in the early part of 1951. [redacted] informed that at the present time he has slot machines in hiding in hopes that the ban against slot machines will be lifted. He stated however, that it was his belief that this would not happen and he had seriously contemplated smashing these machines. Continuing, [redacted] advised that to his knowledge those slot machines in the Waterloo area which were not owned by the individual clubs were owned by himself.

It will be noted that [redacted] was regarded by detectives of the Waterloo, Iowa, Police Department as being the man most likely to either have slot machines or have knowledge concerning the whereabouts or disposition of same.

On the basis of information previously furnished on a confidential basis by [redacted] B.P.O. Elks, #290, Waterloo, Iowa, concerning [redacted] Music Machine operator, [redacted] was reinterviewed. It has previously been reported [redacted] approached [redacted] who was then Manager

OM 71-206

of the Cedar Falls, Iowa, Amvets Post and offered to purchase as a middle man, all slot machines regardless of their condition for \$25.00 each.

[redacted], Waterloo, Iowa, was reinterviewed at which time he again denied any knowledge of slot machine traffic in the Waterloo area and specifically denied ever having approached the Cedar Falls, Iowa, Amvets Post concerning purchase of their slot machines.

Upon further questioning, [redacted] recalled that he may have approached the Amvets Post and offered to buy their machines but that he was never serious about the proposition as he would never have known where to dispose of them.

The following investigation was conducted by SA [redacted].

AT NEW HAMPTON, IOWA:

[redacted] Red Line Vending Company, New Hampton, Iowa, advised that he has in the past purchased vending machine equipment from HIRSHMAN PASTER. He stated he knew [redacted] approximately four years and was aware of the fact that [redacted] was a [redacted] of PASTER. He said it was his opinion that [redacted] worked for PASTER as a field representative for Paster's Mayflower Enterprise. He reflected that he visited with [redacted] about six weeks ago in New Hampton, Iowa and said that this was the first time he had seen [redacted] in over a year. He said that [redacted] was in New Hampton on a routine check of Mayflower coin machines. He stated that at no time was he approached by [redacted] or any other person in regard to slot machines. He added that in the event he does obtain any information concerning the purchase of slot machines by [redacted], he would notify an Agent of this FBI Office immediately.

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AT CHARLES CITY, IOWA:

Confidential Informant [redacted], of unknown reliability, who stated he desired his identity not be disclosed at the present time, advised that his club had fourteen slot machines. He stated that these machines were in operation in his club until the lid was put on slot machines by Attorney General LARSON in October, 1950. He further stated that when it was apparent the heat would not come off on the use of slot machines in Iowa, he attempted to dispose of them. [redacted] reflected that toward the end of 1950, after the Federal law against the interstate transportation of slot machines became much publicized, he met [redacted] Osage, Iowa, and they discussed the various consequences of the Federal law involving slot machines. [redacted] According to [redacted] told him to phone PASTER at Minneapolis, Minnesota and gave him PASTER's telephone number as NESTER 7901. He

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OF 71-206

advised that he telephoned PASTER at this number and told him how many slot machines he had. He said after describing the machines to PASTER, PASTER quoted him the price. He added that the price quoted by PASTER was too low and he refused to sell the machines at this price.

Informant [ ] further advised that he telephoned [ ] of Jerry's Coin Machine Repair Company, which is located at 410 North Syndicate Street, St. Paul, Minnesota, and told him that he had tried to sell the club's slot machines to PASTER and that PASTER's figure was too low. He stated his club had purchased approximately eight machines from Jerry's Coin Machine Repair Company in the early part of 1950, and therefore, asked [ ] if he would be interested in purchasing them from the club. He further stated that [ ] told him that he would purchase all the slot machines his club had. He advised he had six Mills' 21-type machines for which [ ] agreed to purchase for \$125.00 each and eight Mills' Golden Falls type machines, for which [ ] agreed to pay him \$520.00. The agreements were made, he said, to ship the machines to [ ] in St. Paul, Minnesota.

[ ] stated that in accordance with this agreement, he crated the machines and engaged the McCoy Truck Lines, Charles City, Iowa, to deliver the machines. He was successful in locating the shipping document from the McCoy Truck Lines on which it was noted that 14 boxes of machines ship freight collect, consigned to Jerry's Coin Repair, 410 North Syndicate Street, St. Paul, Minnesota. This document was dated December 26, 1950. This document was obtained from [ ] and it is being maintained in the 1-A folder of the Omaha Office.

[ ] also advised that he was contacted by other club operators in Iowa who asked him if he knew where they could dispose of slot machines. He stated he telephoned [ ] in regard to this and was informed by [ ] that the Federal slot machine law was going into effect on January 2, 1951 and he would not have time to transport the machines before this time.

[ ], McCoy Truck Lines, Charles City, Iowa, was successful in locating a copy of the shipping order, which was identical to the one which was obtained from Informant [ ]. [ ] was unable to locate the delivery receipt for this shipment.

[ ] of the VFW Club, Post #3914, advised that in the latter part of 1950 he was contacted by [ ], who said he was connected with an outfit in the Twin City area who wanted to purchase the club's slot machines. [ ] after looking at the club's five slot machines, agreed to pay \$150.00 for them. He said arrangements were made for [ ]

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OM 71-206

to pick up the slot machines some time in the near future. He said that some time elapsed since his meeting with [REDACTED], and that on February 20, 1951 [REDACTED] appeared at the club and paid him \$150.00 in cash for the slot machines. He said the slot machines were loaded into a Green Chevrolet panel truck, bearing Minnesota plates. He added that he would be able to identify [REDACTED] if he should see him again.

AT OSAGE, IOWA:

[REDACTED] and [REDACTED] American Legion Post #278, advised that the slot machines owned by the Legion Club have been put into hiding and have not been in use since the latter part of 1949. They said they have never been approached by anyone who offered to purchase the Legion's slot machines.

[REDACTED], a member of the Osage Country Club, advised that the club's slot machines are not in use and that as far as he knows they have been hidden. To the best of his knowledge, he stated his club has not been contacted by anyone who offered to purchase the slot machines.

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AT CLEAR LAKE, IOWA

[REDACTED] of the All Vets Club, advised that his club has eight slot machines. He stated that in the latter part of 1950 he contacted HERMAN PASTER by phone and told him who he was and that he had some slot machines to sell. He said PASTER was very abrupt and told him that he did not know what he was talking about and hung up on him. He further stated that the club's slot machines were kept in hiding until about six weeks ago when they were sold to individuals in Clear Lake, Iowa for a small amount of money. He said these people intended to use them in their rumpus rooms for their own pleasure. He advised that the money on the sale of the eight slot machines went into the All Vets treasury.

AT MASON CITY, IOWA:

[REDACTED] VFW Post #733, advised that he took office on February 10, 1951. At this time, he said that the nine machines the club owned had been disposed of prior to this time. He stated that [REDACTED] a former House Chairman, who is presently in the army, may have handled the disposal of the machines. He added that [REDACTED] may know some information concerning the disposal of the slot machines.

The following investigation was conducted by SA [REDACTED].

[REDACTED] of the VFW Club, and now [REDACTED] for this club, advised that approximately two weeks before Christmas, 1950, he was

OM 71-206

contacted by [ ] who offered to purchase the club's slot machines. He stated that after looking at the club's slot machines, he offered to pay \$200 for seven of these machines and that the other two machines were also to be taken away by [ ] as they were not in working order. [ ] told him that he was working for a concern in the Twin City area and when Agent mentioned the Mayflower Novelty Company, [ ] said he was sure that was it. About three days later, he said, [ ] appeared, accompanied by a young boy approximately sixteen years old, and after giving him a check for \$200, they loaded the machines into a red Chevrolet Panel truck.

[ ] intimated to him that these machines were going to be broken up and used as parts. He advised he could not locate the serial numbers for any of the above machines. He said the machines were of the Mills and Jennings type.

The following investigation was conducted by SA [ ]

[ ] Knights of Columbus, Mason City, Iowa, advised that his club had approximately five slot machines. He said that these machines have been buried, but that since he is sure the club will not use them in the future, he intends to destroy same. He stated that he has never been contacted by any individual who wished to purchase them.

AT OMAHA, NEBRASKA:

A review of instant file reflects that [ ] of the American Legion Club, Iowa Falls, Iowa, reportedly sold several slot machines to the Easter Interests, possibly in the Spring of 1951. To date [ ] has not been contacted. It has been learned that he has some type of business establishment in Eagle Grove, Iowa.

A further review of the file reflects that [ ] was contacted by the Omaha office in regard to the sale of the slot machines by the Moose Club, Iowa Falls, Iowa, to [ ] [ ] who is a member of the Board of Trustees of this club advised at that time he would make a search of his records in an effort to determine the date of the sale of these machines.

- P E N D I N G -

OM 71-206

ADMINISTRATIVE DATA

Copies of this report are being furnished to the Chicago and Springfield Offices in order that the information herein reflected may be available to these offices, it being noted that both have been required to conduct considerable investigation in this matter in the past and may be again requested to do so in the future.

INFORMANTS

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LEADS

THE MINNEAPOLIS DIVISION

At St. Paul and Minneapolis, Minnesota:

Will, through Confidential Informant coverage, acquire and report any available information specifically pertinent to instant case, concerning the receipt and storage of slot machines during the pertinent period by the Mayflower Distributing Company, the subjects of this case, or other representatives of the Paster Interests, and the possible subsequent interstate transportation thereof upon resale.

THE OMAHA DIVISION

At Charles City, Iowa:

Will recontact [redacted] to determine whether he would consider being a willing witness in this case in the event his testimony is necessary in regard to his telephone contact with subject PASTER.

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At Eagle Grove, Iowa:

Will interview [redacted] who operates a business in Eagle Grove, concerning him selling slot machines belonging to the Paster



OM 71-206

ADMINISTRATIVE DATA

L E A D S

Interests, these machines being originally owned by the Iowa Falls American Legion of which [ ] at the time.

At Iowa Falls, Iowa:

Will recontact [ ] Board of Trustees, Moose Club, relative to date of sale of slot machines by that club to a person believed to be identical with [ ]

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REFERENCE: Report of SA [ ] dated December 6, 1951 at Omaha.  
Minneapolis letter to Bureau dated December 21, 1951.  
Report of SA [ ] dated November 5, 1951 at Omaha.

## Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (71-3129)

DATE: 4/2/52

FROM : SAC, MINNEAPOLIS (71-161)

SUBJECT: [REDACTED] was. ET AL  
ITOGD

Rerep SA [REDACTED] dated 1/7/52 at Minneapolis, regarding checking telephone records relative to individuals operating Dave's Distributing Company, 1815 Riverside Avenue, Atlantic 5231, Minneapolis, Minnesota, and to determine when the phone was first installed.

A confidential source at the Minneapolis Telephone Company advised that telephones Atlantic 5231 and 5322 are both listed to Dave's Distributing Company, 1815 Riverside Avenue, Minneapolis, Minnesota.

This confidential source further advised that the phones were installed originally as Lincoln 2117 on May 25, 1950, at the request of J. D. JOHNSON, secretary, Mayflower Distributing Company, St. Paul, Minnesota, who are responsible for the bill and the records show "Ask for [REDACTED]".

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The records further reflect that [REDACTED], whose home phone number is [REDACTED] of Dave's Distributing Company and according to the telephone records, he claims he has been in the coin machine business for 18 years.

The above information will be subsequently incorporated into an investigative report and will be referred to under a "T" symbol. It might be mentioned that [REDACTED] was recently interviewed in connection with some slot machines that were purchased from a military installation and [REDACTED] furnished information that the Dave's Distributing Company is a part of the Mayflower Distributing Company.

The results of the interview had with [REDACTED] will also be incorporated in a subsequent report in the [REDACTED] case.

A copy of this letter is also being designated for Minneapolis File 66-2335 who is the potential criminal informant who originally furnished information that HERMAN PASTER and his crowd have been delivering some pin ball machines to Dave's Distributing Company, thus corroborating information furnished by this potential criminal informant.

RNP:PLH

2cc: Omaha (71-206)  
cc: Chicago (71-514)  
cc: Springfield (71-100)  
cc: 66-2335

RECORDED - 93

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APR 11 1952

6232

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: March 28, 1952

FROM : SAC, Minneapolis (71-252)

SUBJECT: UNITED STATES NAVAL AIR STATION  
MINNEAPOLIS, MINNESOTA  
INTERSTATE TRANSPORTATION  
OF GAMBLING DEVICES

ReBulet, dated February 11, 1952, entitled Interstate Transportation of Gambling Devices, Minneapolis Division and Minneapolis letter to the Bureau, dated March 7, 1952, re instant matter.

M. A. NAJARIAN, Lieutenant Commander, United States Naval Reserve, Naval Air Station, Wold Chamberlain Field, Minneapolis, Minnesota, furnished SA [ ] with a copy of a memorandum approved by [ ] from the Mess Treasurer, Commissioned Officers Mess, to the Commissioned Officer relative to the disposition of slot machines in the Naval Air Station.

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This memorandum is set forth as follows:

"1. Acting upon information received relative to the passage of the anti-slot machine bill by the House and Senate, all slot machines listed herein belonging to the Commissioned Officers' Mess were sold to the Mayflower Distributing Company of Saint Paul, Minnesota on 31 December 1950.

Bobtail - Serial 147645  
Bobtail - Serial 143030  
Bobtail - Serial 142779  
Silver Moon 25¢ - Serial 144678  
Mills 10¢ - No serial  
Silver Moon 10¢ - Serial 144672  
Tic Tac Toe 25¢ - 178382  
Tic Tac Toe 50¢ - 172169  
Tic Tac Toe 25¢ - 172543  
Tic Tac Toe 5¢ - 178415  
Old dime Mills Brown Front - No serial  
Mills 5¢ - No serial  
Mills 5¢ - No serial  
Mills 25¢ - Serial MLB2514A"

71-3129-130

WMS:DAD

RECORDED - 82

cc 71-161

INDEXED - 82

MAR 31 1952

40 MAR 29 1952  
7403

Memo, DIRECTOR, FBI

3/28/52

Re: U.S. NAVAL AIR STATION  
MPLS., MINN.  
ITOGD

"2. The remaining three slot machines listed herein belonging to the Chief Petty Officers' Club were sold to VFW Post 5632 of Minneapolis, Minnesota on the same date as aforementioned.

Jennings 10¢ - Serial 186272

Jennings 5¢ - Serial 187677

Jennings Multiple Console 25, 5, 5, 5, combination - no serial."

[redacted] advised that he did not personally handle the disposition of the above gambling devices as indicated above but that they were disposed of by Lieutenant Commander [redacted], who is now staying at the Naval Air Station in Dallas, Texas. [redacted] further advised that there is no other record at the Naval Air Station concerning the above gambling devices.

It was determined through DAN NELSON, Chief of Police, St. Louis Park, Minnesota, the the Veterans of Foreign Wars Post 5632 of Minneapolis was located at 5605 West 36th Street, St. Louis Park, Minnesota, and that [redacted] was the [redacted] of this Post. He indicated that [redacted] was a [redacted] at the Naval Air Station, Wold Chamberlain Field, residence 1648 Natchez, St. Louis Park, Minnesota.

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Chief DAN NELSON and SA [redacted] contacted [redacted] at his residence on February 26, 1952. [redacted] advised that the three gambling devices previously mentioned in this memo, which were sold by the Naval Air Station to VFW Post 5632, are still located in a storeroom of the above Post at 5605 West 36th Street. [redacted] further stated he negotiated with the Naval Air Station for the purchase of these machines and paid the Station a total of \$150.00 for them. [redacted] indicated, however, shortly after the machines were purchased they were placed in dead storage because of the rigid enforcement of the gambling statutes in the State of Minnesota.

Chief NELSON confirmed the fact that the above gambling devices sold to the VFW Post 5632 were in storage as stated by [redacted].

Memo, DIRECTOR, FBI

3/28/52

Re: U.S. NAVAL AIR STATION  
MPLS., MINN.  
ITOGD

With respect to the above gambling devices, which were sold by the Naval Air Station to the Mayflower Distributing Company in St. Paul, Minnesota, December 31, 1950, additional investigation will be conducted in connection with the case entitled, [REDACTED] [REDACTED], was. et al, ITOGD, Minneapolis file 71-161.

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FEDERAL BUREAU OF INVESTIGATION

Form No. 1

This case originated at CINCINNATI

G. I. R. - 1

Report Made At : Date When : Period For Which : Report Made By  
CINCINNATI, OHIO : 5/1/52 : 4/2/52 : [ ]

Title : [ ] was., ETAL : Character of Case : INTERSTATE TRANS-  
PORTATION OF : GAMBLING DEVICES

Synopsis of Facts:

7  
1 FC M. Inerney  
5-12-52

Copy from to Cincinnati  
re: insufficient copies  
to Bureau + O.D.  
PVP

[ ] Malta Music Center, Malta, Montana, sold approximately twenty machines in July, 1950, to HERMAN PASTURE, care of the Mayflower Distributing Company, 1826 University Avenue, Minneapolis, Minnesota. Investigation at Havre, Montana reflects that [ ] and [ ] sold machines to [ ] in late August, 1950. Details and serial numbers of machines involved in these transactions not obtained.

WAS 8-1

- RUC -

DETAILS:

AT CINCINNATI, OHIO

Information in possession of the Cincinnati FBI Office reflects that [ ] Malta Music Center, Malta, Montana, advised SA [ ] of the Butte FBI Office, that he sold approximately twenty slot machines in July, 1950 to HERMAN PASTURE, care of the Mayflower Distributing Company, 1826 University Avenue, Minneapolis, Minnesota. The

Approved and Forwarded : Special Agent : Do Not Write In These Spaces  
In Charge :

Copies of this Report

- 2 Bureau
- 3 Omaha (1 USA, Des Moines, Iowa)
- 4 Butte
- 1 Chicago (Info)
- 1 Milwaukee (Info)
- 2 Minneapolis (71-161)(Info)(1 USA, St. Paul, Minn.)
- 1 Springfield (Info)
- 2 Cincinnati (71-309)

71-3129-731  
20 MAY 3 1952

RECORDED - 35

STAT. SECT.

PROPERTY OF FBI - THIS CONFIDENTIAL REPORT AND ITS CONTENTS ARE LOANED TO YOU BY THE FBI AND ARE NOT TO BE DISTRIBUTED OUTSIDE OF AGENCY TO WHICH LOANED.

64 MAY 16 1952

63 MAY 14 1952

CIN. 71-309

details and serial numbers of machines involved in this transaction were not obtained.

[redacted] Havre, Montana, son of [redacted] who passed away in March, 1950, advised SA [redacted] of the Butte FBI Office, that his father, [redacted] left his slot machine business to another son, [redacted].

[redacted] Havre, Montana, advised SA [redacted] of the Butte FBI Office, that [redacted], representing the Paster Distributing Company, St. Paul, Minnesota, bought most of the slot machines owned by [redacted] and also purchased some from him, [redacted]. [redacted] stated that he did not have an instrument of sale of the machines sold to [redacted] and he did not think [redacted] had a record of the slot machines sold at that time.

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REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

ADMINISTRATIVE PAGE

One copy of this report is being designated for the Springfield, Chicago, Milwaukee, and Minneapolis Offices for purposes of information, and in accordance with Minneapolis letter to the Bureau dated 2/13/52.

LEADS

BUTTE DIVISION

AT MALTA, MONTANA

Will re-interview [redacted], Malta Music Center, to ascertain the serial numbers of approximately twenty slot machines sold by him to HERMAN PASTURE in July, 1950. This lead to be covered and reported in accordance with Minneapolis letter to Bureau dated 2/13/52.

AT HAVRE, MONTANA

Will re-interview [redacted] to determine whether he has any record of serial numbers of slot machines sold by him to [redacted]. If this information is not available to [redacted], will thereafter determine whether this information could be obtained from a source other than [redacted]. This lead to be covered and reported in accordance with Minneapolis letter to Bureau dated 2/13/52. b6 b7C

AT SHELBY, MONTANA

Will interview [redacted] Shelby Distributing Company, to ascertain serial numbers of slot machines sold by him to [redacted]. This lead to be covered and reported in accordance with Minneapolis letter to Bureau dated 2/13/52.

REFERENCE

Minneapolis letter to Bureau dated 2/13/52.



## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI (71-3129)

FROM : SAC, Miami (71-336)

SUBJECT: PASTER DISTRIBUTING COMPANY;  
MAYFLOWER DISTRIBUTING COMPANY  
INTERSTATE TRANSPORTATION  
OF GAMBLING DEVICES

DATE: April 30, 1952

Reference is made to Omaha's letter to the Director dated February 18, 1952 setting forth information that a potential criminal informant in the Minneapolis Office had furnished information that slot machines believed to be furnished by one or both of the above companies have been going to Florida from whence they were reportedly going by boat to Cuba for re-distribution in various Latin American countries. According to referenced letter a confidential source indicated there was a marshaling point in Florida where such slot machines might be assembled and believed he might be able to develop additional information on that point if given a little time.

This informant further indicated that [ ] and one [ ] both former residents of the Minneapolis-St. Paul area, are now both employed by the Bush Distributing Company operating out of Miami and Tampa, Florida, which is allegedly owned by one [ ] who is stated to be the distributor for Wurlitzer music boxes throughout Cuba as well as the southeastern states. This informant further indicated that [ ] and [ ] were all friends of HERMAN PASTER who he indicated had been in Miami during the previous months, PASTER being known to both the Minneapolis and Miami Offices in connection with the Paster Distributing Company and Mayflower Distributing Company.

Inquiry at the Peninsular & Occidental Steamship Line, Miami, Florida and contact with U. S. Customs officials, who have been previously alerted to the shipment of gambling devices out of the United States from the Miami area, failed to indicate that such activity is going on at the present time.

Potential Confidential Informant [ ] who is acquainted with HERMAN PASTER, [ ] and SAM TARAN, who is known to the Bureau and Minneapolis Office, has advised that he is familiar with all three individuals but that to his knowledge none of these individuals are handling slot machines at the present time. This informant advised that TARAN and [ ] are competitors in the music box, pin ball machine and shuffle board business in the Miami area. He has advised that he will attempt to determine if any of these individuals are engaged in any activity in connection with slot machines at the present time.

GRB:rcm  
71-336  
cc: Minneapolis

RECORDED - 160

INDEXED - 160

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EX-32

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69 MAY 10 1952

[redacted], another potential confidential informant of the Miami Office who was formerly employed as a mechanic in the repair of slot machines for the Chris Novelty Company, Baltimore, Maryland, and who is presently employed by the Christopher-Luker Company in Miami which company has registered under Section 3, Public Law 906 with the Attorney General at Miami, Florida, has advised that he too is familiar with SAM TARAN and [redacted] in the music box business in Miami in which the Christopher-Luker Company is engaged at the present time. This informant advised that to his knowledge neither TARAN or [redacted] are at the present time engaged in any activity in connection with slot machines although he is aware that [redacted] and TARAN are more or less friendly competitors in the juke box business.

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This latter informant has further advised that [redacted] who was formerly a big slot machine operator in the Baltimore area and presently operates a juke box route in the Miami area and, according to informant, does business with SAM TARAN, [redacted] and the H & G Novelty Company of Miami owned by [redacted] which company is also known to have registered with the Attorney General's office as a dealer under Public Law 906. It is further noted here that [redacted] has been interviewed by Agents of the Miami Office in connection with investigation conducted relative to his activities in the State of Maryland subsequent to the passage of Public Law 906 and has denied that he has in any way been connected with the operation of slot machines in the Miami area, where he is presently living.

In addition to the above information [redacted] FBI [redacted] who is presently in custody of the Dade County Sheriff's Office at Miami, Florida on a bad check charge with a hold for the Sheriff's Office in Broward County, Florida on a similar charge, was contacted and interviewed by Agents of this Office at the suggestion of a deputy sheriff. [redacted] advised that he was formerly employed by SAM TARAN and associates and maintains that TARAN is presently operating as a fence in the Miami area for hot jewels, hot money, hot automobiles, or, according to [redacted], anything that has been stolen. [redacted] who claims that he was taken for a ride by TARAN's employees sometime ago for having stolen and sold a trailer truck load of sugar which belonged to TARAN, has advised that TARAN owns and controls all the slot machines located in Monroe County and the Key West area which is south of Miami and that approximately two years ago TARAN had approximately 300 slot machines stored at a camp just south of Jewfish Creek on the Overseas Highway to Key West. [redacted] maintains that [redacted] who also is known to the Bureau, frequents this camp as well as other New York and Chicago hoodlums. [redacted] advised that the following individuals are associates of SAM TARAN.

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[redacted], handles slot machine business for TARAN;  
[redacted] pays trailer drivers who haul various items for TARAN;  
[redacted] and [redacted] who operate a curb market selling gladiolus in the Miami area, claimed by [redacted] to actually handle hot stuff and to be closely associated with TARAN;

[redacted] a mechanic who works for TARAN;  
[redacted] who works for TARAN but capacity unknown;  
[redacted] associate of TARAN.

During the course of the interview with [redacted] he noticeably attempted to impress the interviewing Agents that it was his desire to be released from custody and that he could be of invaluable assistance if he were "on the street". Deputies have advised, however, that [redacted] has furnished them reliable information in the past although they have found it necessary to have other informants maintain a close check on [redacted] in order to insure the credibility of information which he furnishes.

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In view of the above information it is requested that the Minneapolis Office re-contact [redacted], potential criminal informant, and attempt to obtain from [redacted] more pertinent information relative to the shipping of slot machines by the captioned companies to the Florida area. It is noted in this connection that two potential confidential informants in the Miami Division who are acquainted with [redacted], HERMAN PASTER, and SAM TARAN have indicated no knowledge of activities in connection with slot machines and that information furnished by [redacted], although indicating that TARAN was at least in the past connected with slot machine business fails to indicate present activities in that connection.

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## FEDERAL BUREAU OF INVESTIGATION

FORM No. 1  
THIS CASE ORIGINATED AT OMAHA

FILE NO.

REPORT MADE AT MINNEAPOLIS	DATE WHEN MADE 5/8/52	PERIOD FOR WHICH MADE 2/21: 3/5, 26; 27, 29; 4/2, 4; 30/52	REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 20px;"></div> psa
TITLE <div style="border: 1px solid black; width: 150px; height: 20px;"></div> was.			CHARACTER OF CASE INTERSTATE TRANSPORTATION OF GAMBLING DEVICES
SYNOPSIS OF FACTS:  <div style="float: left; width: 20%;"><i>1 cc Mr. Berry 5-17-52</i></div> <div style="float: right; width: 20%; text-align: right;"><i>8-1-52</i></div> <div style="clear: both;"></div> <div style="float: right; width: 20%; text-align: right;"><i>G. I. R. -3</i></div> <div style="clear: both;"></div> <p>Records at Midway National Bank, St. Paul, Minn., reflect that on 3/5/51 a \$2100 item was charged against checking account of Mayflower Distributing Company, St. Paul, Minn. Dave's Distributing Company, Minneapolis, Minn., is owned and controlled by Mayflower Distributing Company, St. Paul, Minn. Other general info obtained regarding activities of subject.</p> <p style="text-align: center;">- P -</p>			
DETAILS:  In regard to the \$2100.00 item which was deposited by <div style="border: 1px solid black; width: 100px; height: 15px;"></div> Agent interviewed <div style="border: 1px solid black; width: 100px; height: 15px;"></div> of the Bookkeeping Department, Midway National Bank, 1587 University Avenue, St. Paul 4, Minnesota, who advised their bank is #22-60; that he has an original ledger sheet showing that the Mayflower Distributing Company, 2218 University Avenue, St. Paul 4, Minnesota, opened a checking account on February 15, 1944. This ledger sheet reflects that on March 5, 1951, a \$2100.00 item			
APPROVED AND FORWARDED: <i>W. B. Barnhart</i>		SPECIAL AGENT IN CHARGE	
COPIES OF THIS REPORT ③ - Bureau (71-3129) 1 - USA, St. Paul 3 - Omaha (71-206) (1-USA, Des Moines, Iowa) 2 - Chicago (71-514) 1 - Milwaukee (info.)		DO NOT WRITE IN THESE SPACES <div style="text-align: center;">71- 3129-133</div> <div style="text-align: center;">MAY 10 1952</div> <div style="text-align: center;">17</div> <div style="text-align: right;">RECORDED-37</div> <div style="text-align: right;">4-99</div>	

PROPERTY OF FBI - This confidential report and its contents are loaned to you by the FBI and are not to be distributed outside of agency to which loaned.

59 MAY 22 1952

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Mpls. File 71-161

was charged against their checking account. [ ] stated there was no other \$2100.00 item between February 28, 1951, and March 30, 1951. He further advised they maintain no Recordak film. [ ] stated that [ ] would be the person to serve a subpoena duces tecum on.

The closed case entitled "APEX DISTRIBUTING COMPANY, Fargo, North Dakota; ITOGD", reflects that the above company was reported as being a possible outlet of HERMAN PASTER for the distribution of Hollycrane machines. That closed file reflects that no slot machines or diggers were ever handled.

The closed case entitled "[ ] Diedrick Supply Company; ITOGD", reflects that by letter dated February 26, 1952, [ ] wrote that on February 5, 1952 he traded with the Mayflower Distributing Company, 2218 University Avenue, St. Paul, Minnesota, two Hollycranes, Serial Numbers 290 and 330, for two 5-ball pin table.

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By letter dated March 5, 1952, the attention of the United States Attorney, St. Paul, Minnesota, was directed to a Minneapolis report dated February 7, 1952, which reflects that he was interested in knowing whether or not the Como Manufacturing Company, Chicago, Illinois, was registered with the United States Attorney at Chicago, Illinois. There was transmitted to the United States Attorney a copy of a Chicago report dated February 26, 1952, entitled "COMO MANUFACTURING COMPANY, CHICAGO, ILLINOIS; ITOGD", and he was advised that the United States Attorney at Chicago, Illinois would be recontacted regarding his prosecutive opinion.

Instant file reflects that HERMAN PASTER was about to close out [ ] of Rapid City, South Dakota, and a separate ITOGD case was opened, and the results of that investigation will be incorporated in that file.

The Omaha Office was advised by letter dated February 21, 1952, that [ ], Auditing Department, First National Bank, Minneapolis, Minnesota, advised that the official who could produce the pertinent bank records was [ ], [ ]

The case entitled "U.S. NAVAL AIR STATION, MINNEAPOLIS, MINNESOTA; ITOGD", reflects that the following information was furnished to the Bureau by letter dated March 28, 1952:

Mpls. File 71-161

M. A. NAJARIAN, Lieutenant Commander, United States Naval Reserve, Naval Air Station, Wold Chamberlain Field, Minneapolis, Minnesota, furnished Special Agent [redacted] with a copy of a memorandum approved by NAJARIAN from the Mess Treasurer, Commissioned Officers Mess, to the Commissioned Officer relative to the disposition of slot machines in the Naval Air Station.

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This memorandum is set forth as follows:

"1. Acting upon information received relative to the passage of the anti-slot machine bill by the House and Senate, all slot machines listed herein belonging to the Commissioned Officers' Mess were sold to the Mayflower Distributing Company of Saint Paul, Minnesota on 31 December 1950.

"Bobtail - Serial 147645  
Bobtail - Serial 143030  
Bobtail - Serial 142779  
Silver Moon 25¢ - Serial 144678  
Mills 10 ¢ - No serial  
Silver Moon 10¢ - Serial 144672  
Tic Tac Toe 25¢ - 178382  
Tic Tac Toe 50¢ - 172169  
Tic Tac Toe 25¢ - 172543  
Tic Tac Toe 5¢ - 178415  
Old dime Mille Brown Front - No serial  
Mills 5¢ - No serial  
Mills 5¢ - No serial  
Mills 25¢ - Serial MLB2514A"

The above described machines will be checked against the indices to determine whether the Mayflower Distributing Company have listed the above machines with serial numbers on their monthly reports which they made to the Attorney General's Office.

The closed case entitled "2465th AIR FORCE RESERVE TRAINING CENTER, WOLD CHAMBERLAIN FIELD, MINNEAPOLIS, MINNESOTA; ITOGD", contains the following information which was furnished the Bureau by letter dated March 28, 1952:

Mpls. File 71-161

[redacted] Non-Commissioned Officers Mess, International Airport, advised Special Agent [redacted] that during the year 1950 the St. Paul Minneapolis International Airport was known as the 2465th Air Force Reserve Training Center, Wold Chamberlain Field. He indicated that during this period there was an officers club as well as a Non-Commissioned Officers Mess which maintained gambling devices at their respective establishments located at the above training center.

[redacted] indicated that shortly before January 2, 1951, he was instructed by his superiors to dispose of the gambling devices which were located at the above mentioned reserve training center. After receiving instructions to dispose of these machines he indicated that contact was made with the Daves Distributing Company, 1815 Riverside Avenue, Minneapolis, Minnesota, by Technical Sergeant [redacted] now located at USAF, Orlando, Florida. Sergeant [redacted] made arrangements to sell both the gambling devices maintained by the Non-Commissioned Officers Mess and the Officers Club to the Daves Distributing Company for \$920.00. As evidence of this transaction, he produced an invoice #647, dated December 30, 1950, which indicated that the Non-Commissioned Officers Mess was given credit for twelve "bells" for a total of \$920.00. The invoice indicates this amount was to apply on the purchase of five pinball and one cigarette machine with a total value of \$2484.50. This left a balance due to the Daves Distributing Company amounting to \$1564.50.

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[redacted] indicated at the time of this transaction the Officers Club was so small and its operations so limited that financial assistance had to be given the Officers Club by the Non-Commissioned Officers Mess. He stated that the Officers Club had approximately three or four gambling machines, which were in operation at the Club and which were owned by the Club. According to [redacted], this Club had only about two gambling devices which were in operation and also had various parts of gambling devices which would amount to approximately an additional gambling device.

Mpls. File 71-161

[ ] exhibited a statement dated December 29, 1950, from the Officers Club, 2465th Air Force Reserve Training Center, Wold Chamberlain Field, addressed to the Non-Commissioned Officers Club which acknowledged the receipt of the following gambling devices:

<u>Type of Machine</u>	<u>Amount</u>	<u>Serial No.</u>	<u>Value</u>
Mills	25¢	MLB5031	\$20.00
Mills	25¢	MLB2500A	20.00
Jennings	10¢	1711	50.00
Jennings	10¢	139454	50.00
Standard Chief	5¢	169206	50.00
Mills	5¢	MLB2572	20.00
Mills	5¢	No serial	5.00
Mills	5¢	No serial	5.00

This statement indicates that the Officers Club was given credit for a total of \$220.00.

According to [ ] the Non-Commissioned Officers Mess disposed of the following machines and that they were indicated as follows:

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<u>Type of Machine</u>	<u>Amount</u>	<u>Serial No.</u>	<u>Value</u>
Standard Chief	25¢	169460	None given
Jennings Tic Tac Toe	5¢	173651	" "
Jennings Tic Tac Toe	10¢	173631	" "
Standard Jennings	5¢	159144	" "
Type not indicated	25¢	173658	" "
Type not indicated	10¢	173650	" "
Type not indicated	5¢	463451	" "

According to [ ] the above machines were all in fair operating condition and constituted the balance of the machines disposed of to the Daves Distributing Company. [ ] indicated that the previously mentioned machines at the Officers Club consisted of parts of gambling devices for the most part and he did not believe there were more than three machines in operating condition out of the eight listed. He indicated that the Officers Club was given a very liberal valuation on their eight machines due to their dire financial circumstances at the time.



Mpls. File 71-161

[redacted] Daves Distributing Company, 1815 Riverside Avenue, Minneapolis, Minnesota, residence 1526 Queen Avenue North, Minneapolis, Minnesota, advised that company has been in operation for approximately one year and is owned and controlled exclusively by the Mayflower Distributing Company, St. Paul, Minnesota. Daves Distributing Company acts as a distributing outlet for the Mayflower Distributing Company and its operations are entirely controlled by the Mayflower Company. [redacted] indicated he works on a salary and is paid by the Mayflower Distributing Company as are all the other expenses in connection with the operation of the Daves Distributing Company.

[redacted] vaguely recalled a transaction with the Non-Commissioned Officers Club, 2456th Air Reserve Training Center, Wold Chamberlain Field, Minneapolis, Minnesota, involving the trading of approximately fifteen gambling devices which were to apply on the purchase of three pinball games and one cigarette machine. [redacted] stated he could not recall ever seeing any of the machines which were traded in by the Non-Commissioned Officers Club but recalled that someone representing this Club described the machines to him, indicating that they had shopped around at other places. Without seeing the machines, he agreed to allow the Club a total of \$920.00 and believes that the gambling devices which were located at the Non-Commissioned Officers Club were delivered directly to the Mayflower Distributing Company at St. Paul, Minnesota.

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As evidence of the transaction, [redacted] produced an invoice number 494 for the Daves Distributing Company, dated January 4, 1951, which indicated that the following pinball machines which he indicated were not gambling devices were sold to the Non-Commissioned Officers Mess, 2465th Air Force Reserve Training Center, Wold Chamberlain Field, Minneapolis, Minnesota.

<u>Type of Machine</u>	<u>Serial No.</u>	<u>Amount</u>
Turf King	1552	\$ 645.00
Winner	4691	595.00
United Fourway Bowler	11083	375.00

Mpls. File 71-161

<u>Type of Machine</u>	<u>Serial No.</u>	<u>Amount</u>
Kecney Cigarette Machine	7592	269.50
Arizona	15327	225.00
United Fourway Bowler	1089	375.00
	Total	\$2584.50
Trade-in Allowance		920.00
Balance due		<u>\$1564.50</u>

[ ] also produced a credit invoice number 75, dated January 4, 1951, issued by the Daves Distributing Company to the Non-Commissioned Officers Mess, Wold Chamberlain Field, as follows:

12 slots	\$420.00
1 photofinish	200.00
1 Kentuck	200.00
1 Canasta	<u>100.00</u>
Total	\$920.00

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It should be noted that no serial numbers were indicated for any of the above slots or other gambling devices listed on this invoice.

[ ] stated that he feels certain that the Mayflower Distributing Company in St. Paul, Minnesota, which received the machines mentioned in this memo from the Non-Commissioned Officers Mess, have complete records concerning the gambling devices received from the Non-Commissioned Officers Mess.

The serial numbers of the above mentioned gambling devices will likewise be checked against the indices to determine whether Mayflower Distributing Company listed these machines in their monthly reports to the Attorney General.

By letter dated March 29, 1952, the United States Attorney, St. Paul, Minnesota, was furnished with photostatic copies of all inventories and correspondence which was sent by the Mayflower Distributing Company to the Attorney General's Office, Washington, D.C.

Mpls. File 71-161

The closed case entitled "[redacted] ITOGD", reflects that no such individual could be located.

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[redacted] of known reliability advised Special Agent [redacted] on March 27, 1952, that he had been unable to obtain a photograph of [redacted] that [redacted] is now travelling all over the country and was recently in Montana, but he does not know what [redacted] was doing on these trips.

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Informant further stated that he still believes [redacted] and his associates have a number of slot machines stowed in Iowa. Informant ventured the information that possibly they planned to get them to Cuba as informant stated the recent change in the government of Cuba would probably benefit [redacted] and his associates.

In regard to HERMAN PASTER, informant stated that PASTER claims he is going to quit the coin machine business and that he is going into the ice cream business or a business similar to the Dairy Queen business which has become so prominent lately.

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The pending case entitled "EMIL O. CHRISTIANSON, ITOGD", contains a Minneapolis Report dated April 2, 1952, which reflects that [redacted] (is subject of separate ITOGD case) stated that he bought twenty-eight slot machines from HERMAN PASTER in Minneapolis, Minnesota, and [redacted] produced bills of lading which were dated December 13, 1950, December 29, 1950, and December 30, 1950.

The report reflects that [redacted] when interviewed stated he bought these machines because HERMAN PASTER told him he had sold the same type of slot machines to dealers in Dickinson, Fargo, and other cities in North Dakota, and that he, PASTER, knew they would become legal in North Dakota.

Inasmuch as there are separate cases on both CHRISTIANSON and [redacted], additional investigation regarding the above machines will be conducted in those files.

[redacted] of known reliability advised that telephones Atlantic 5231 and 5322 are both listed to Dave's Distributing Company, 1815 Riverside Avenue, Minneapolis, Minnesota; that these phones were installed originally as Lincoln 2117 on May 25, 1950, at the request of J. D. JOHNSON, Secretary, Mayflower Distributing Company, St. Paul, Minnesota, who are responsible for the bill. According to Informant, [redacted] knows about this matter at the Mayflower Distributing Company.

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Mpls. File 71-161

[ ] further advised that [ ] whose home phone is [ ] of Daves Distributing Company and claims he has been in the coin machine business for eighteen years.

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The case entitled "SURVEY OF GAMBLING DEVICES ON WHICH \$150 TAX WAS PAID TO COLLECTOR OF INTERNAL REVENUE, ST. PAUL, MINNESOTA; ITOGD", reflects that [ ] Empire Bar, 119 South Wabasha Street, St. Paul, Minnesota, advised that he recently purchased that business from [ ] and that there were no gaming devices in it. [ ] remarked, however, that he believed [ ] had a machine in his place and that it belonged to the Paster Distributing Company, 2218 University Avenue, St. Paul, Minnesota, NEstor 7901.

The closed case entitled "[ ] ITOGD", reflects that when [ ] Fargo, North Dakota, was interviewed he stated he ordered a total of five Hollycranes; that he secured two from Mayflower Amusement Company, St. Paul, Minnesota, in early September, 1951; that the first Mayflower machine came into Fargo, North Dakota from St. Paul, Minnesota via the Ace Truck Lines, and then it was taken by [ ] on his own truck; that the machine had serial number 1429-30 and was put in the Roundup Bar.

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[ ] recalled that he had received one other machine from the Mayflower Amusement Company, St. Paul, Minnesota, and [ ] was of the opinion that machine was placed by him in the Webster Recreation Parlors in Fargo, North Dakota. [ ] was unable to recall the date of that purchase, but stated both of the Mayflower machines had been purchased through the Progress Finance Company, which is an affiliate of the Mayflower Amusement Company.

That file further reflects that [ ] located two conditional sales contracts which he had made with the Holly Sales Company through the Progress Finance Company of St. Paul, Minnesota. The first contract was dated August 1, 1951, and was for one new Hollycrane, serial number 1429-30, and the total price, including interest, was to be \$725.00.

The second conditional sales contract was dated August 20, 1951, and was between the Holly Sales Company and [ ] and it was handled by the Progress Finance Company. This was for one used Hollycrane, serial number 1366-30, and

Mpls. File 71-161

the total amount of the machine was \$494.50, including interest. The report reflects the actual examination of that machine showed the serial number to be 1366-3.

That file reflects that the United States Attorney, Fargo, North Dakota, declined prosecution as he did not consider [ ] to be a dealer, and he declined prosecution in transporting the machines from Fargo, North Dakota to Dillworth, Minnesota.

The Omaha Office also has information reflecting that on the early morning of March 31, 1952, a bomb was thrown against the front door of the Mayflower Distributing Company, 1209 Douglas Street, Omaha, Nebraska.

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The St. Louis Office advised by letter dated April 14, 1952, that a re-examination of the Army Service Record for [ ] ASN [ ], fails to disclose a photograph, and there is no indication that he was photographed while in the United States Army.

The writer's report dated February 7, 1952, reflects that C. U. LANDRUM, who was then United States Attorney at St. Paul, wanted to know what decision or opinion was rendered by the United States Attorney in Chicago, Illinois as to prosecutive action regarding the Como Manufacturing Company.

- P E N D I N G -

Mpls. File 71-161

ADMINISTRATIVE PAGE

LEADS:

THE CHICAGO DIVISION

At Chicago, Illinois

Will refer to referenced report dated February 7, 1952, and refer to Chicago file entitled "COMO MANUFACTURING COMPANY, CHICAGO, ILLINOIS; ITOGD", and will advise whether AUSA JOSEPH E. TOBIN was recontacted and what is his prosecutive opinion relative to the Como Manufacturing Company.

THE MINNEAPOLIS DIVISION

At Minneapolis, Minnesota

Upon receipt from Chicago, Illinois of an opinion given by the United States Attorney regarding the Como Manufacturing Company, will recontact the United States Attorney, St. Paul, Minnesota, in accordance with instructions appearing in referenced report dated 2/7/52, which relates to probably prosecuting Holly Sales Company and Paster Distributing Company for failure to register with the Attorney General.

In regard to the various gambling devices, with serial numbers, which were purchased from the federal government by the Mayflower Distributing Company and Daves Distributing Company, will check such serial numbers against the indices of the Minneapolis Office in order to determine whether such gambling devices were listed on any of the monthly reports which were submitted to the Attorney General of the United States by the Mayflower Distributing Company.

Will continue to report any additional information which is received concerning subject.

Mpls. File 71-161

INFORMANTS:

[Redacted]

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INFORMATION:

The Milwaukee and Springfield Offices are being furnished a copy of this report for information purposes inasmuch as they are interested in this case.

REFERENCES:

Reports of Special Agent [Redacted] Minneapolis, Minnesota, dated February 7, 1952, and February 27, 1952.

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## Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (71-3129)  
FROM : SAC, MINNEAPOLIS (71-161)  
SUBJECT: PASTER DISTRIBUTING COMPANY;  
MAYFLOWER DISTRIBUTING COMPANY  
INTERSTATE TRANSPORTATION OF  
GAMBLING DEVICES

DATE: May 28, 1952

Reference is made to Miami letter to Bureau dated April 30, 1952.

On May 22, 1952, [REDACTED], Potential Criminal Informant, Fairmont, Minnesota, was reinterviewed, and he had no more definite or pertinent information relative to the shipping of slot machines by subject companies to the Florida area or any other place.

The informant stated that should he secure any further information, he will advise the Minneapolis Office.

RTN:BLL  
71-161

cc: 1 - Miami (71-3129)  
1 - Omaha (71-206)  
1 - 66-2590

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RECORDED - 117  
EX. - 106

71-3129-134  
JUN 21 1952

66 JUN 5 1952



## Office Memorandum • UNITED STATES GOVERNMENT

TO

DIRECTOR, FBI (71-3129)

DATE: June 12, 1952

FROM

SAC, SPRINGFIELD (71-100)

SUBJECT:

, was., ET AL  
ITOGD

ReButel June 11, 1952.

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There is enclosed with Minneapolis copies of this letter one copy of the report of SA , Springfield, Illinois, dated March 18, 1952, which should be furnished to the U. S. Attorney, St. Paul, Minnesota.

HJB:bk

1cc: Omaha (71-286)

2cc: Minneapolis (71-661) (Encl.-1)

RECORDED - 122

171-3129-135  
JUN 17 195269 JUN 24 1952  
3330

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI (71-3129)

DATE: 6/12/52

FROM : SAC, Omaha (71-206)

SUBJECT: [REDACTED] was., et al;  
ITOGD; CONSPIRACY

Rebutel 6/11/52.

Enclosed herewith for the USA at Springfield is a copy of the summary report of SA [REDACTED] Omaha, 3/5/52.

A copy of the report of SA [REDACTED] Omaha, 3/12/52, was designated for the USA at St. Paul and is not being furnished at this time.

cc: Springfield (Enc. 1) (71-100)  
Minneapolis (71-661)

JAH:EOD

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RECORDED - 95

71-3129-136  
12 JUN 16 1952

EX - 15

63 JUN 23 1952

J 330

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## Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (71-3129) AIR MAIL

FROM : SAC, MIAMI (71-336)

SUBJECT: PASTER DISTRIBUTING COMPANY;  
MAYFLOWER DISTRIBUTING COMPANY;  
INTERSTATE TRANSPORTATION  
OF GAMBLING DEVICES

DATE: June 17, 1952

Reference is made to Omaha Letter to the Director, dated 2-18-52, under above caption, and to Miami Letter to the Director, dated 4-30-52.

By letter dated May 28, 1952, the Minneapolis Office advised that Potential Criminal Informant [redacted] Fairmont, Minnesota, upon reinterview, could furnish no more definite or pertinent information relative to shipping of slot machines by subject companies to the Florida area or any other place.

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Investigation at Tampa, Florida, failed to reflect that [redacted] or [redacted] are known in Tampa or that the Bush Distributing Company is operating in that city. In view of the failure to substantiate the original information furnished by PCI [redacted] of Fairmont, Minnesota, to the effect that captioned companies were shipping slot machines to the State of Florida for shipment to Cuba, no further action is being taken in this matter, and this case is being considered closed in the Miami Office pending receipt of more substantial information relative to the alleged shipments.

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GRB:rew  
cc: Minneapolis  
Omaha

RECORDED - 78

JUN 19 1952

64 JUN 20 1952

JUNE 11, 1952

SAC, OMAHA  
SPRINGFIELD

URGENT

[REDACTED] WAS., ET AL, ITOGD, CONSPIRACY. DEPARTMENTAL ATTORNEY HANDLING THIS CASE ADVISES DEPARTMENT IN CONTACT WITH VARIOUS U S ATTORNEYS CONCERNED WITH THIS CASE AND HOPES TO PROSECUTE UNDER CONSPIRACY VIOLATION IN MINNESOTA. IF NOT ABLE TO DO THIS PLANS TO PROSECUTE IN VARIOUS DISTRICTS WHERE INDIVIDUAL VIOLATIONS EXIST. DEPARTMENT DESIRES COPY OF SUMMARY REPORT OF SA [REDACTED] [REDACTED] OMAHA DATED MARCH FIVE FIFTYTWO BE IMMEDIATELY FORWARDED U S ATTORNEY, SPRINGFIELD, ILLINOIS. OMAHA HANDLE AND ADVISE. HE DESIRES COPIES OF REPORTS OF SA [REDACTED], OMAHA DATED MARCH TWELVE FIFTYTWO AND REPORT OF SA [REDACTED] SPRINGFIELD DATED MARCH EIGHTEEN FIFTYTWO BE FORWARDED U S ATTORNEY, ST. PAUL, MINNESOTA. OMAHA AND SPRINGFIELD HANDLE AND ADVISE.

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HOOVER

71-3129

CC: 2 - MINNEAPOLIS (BY MAIL)

LGD:jmj *gmf*

Note: This information furnished by Departmental Attorney, [REDACTED] in Office of [REDACTED]

COPIES DESTROYED

85 AUG 17 1965

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Nichols \_\_\_\_\_  
Belmont \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Harbo \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Laughlin \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Rm. \_\_\_\_\_  
Holloman \_\_\_\_\_

RECEIVED DEPT. OF JUSTICE  
COMMUNICATIONS SECTION

JUN 11 1952

TELETYPE

RECORDED - 2

EX-138

RECEIVED READING ROOM  
JUN 11 6 17 PM '52

71-3129-138

66 JUN 21 1952 7350

17-55P

8

## FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **OMAHA**

FILE No.

REPORT MADE AT <b>MINNEAPOLIS</b>	DATE WHEN MADE <b>7/9/52</b>	PERIOD FOR WHICH MADE <b>July 17, 18, 23; 7/3/52</b>	REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 15px;"></div> <b>cag</b>
TITLE <div style="border: 1px solid black; width: 150px; height: 15px;"></div> , was.			CHARACTER OF CASE <b>INTERSTATE TRANSPORTATION OF GAMBLING DEVICES</b>

## SYNOPSIS OF FACTS:

*1-cc Dept  
7-15-52*

of known reliability, furnished information regarding individual named  at St. Cloud, Minn., who transported some machines.  of St. Cloud, Minn., located but furnished no information of interest. Chicago Office advises AUSA, Chicago, Illinois, declined criminal prosecution, against Como Manufacturing Company, Chicago, Illinois. Their records reflect Como Manufacturing Company was not registered as of April 25, 1952.

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## DETAILS:

of known reliability, advised SA  that while he was in the slot machine business he had several contacts with the officials of the Mayflower Company in St. Paul, namely: ~~HERMAN PASTER~~ and also with the Lieberman Company in Minneapolis, Minnesota. Informant stated that to date he still contacts the above two companies and is well acquainted with the owners and operators.

F

## COPIES DESTROYED

**85 AUG 17 1966**

APPROVED AND FORWARDED: <i>W. H. Bamister</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <b>71-3129-139</b> <b>RECORDED - 22</b> <b>INDEXED - 22</b> <b>JUL 10 1952</b> <b>EX - 140</b>
COPIES OF THIS REPORT 3-Bureau 1-USA, St. Paul 3-Omaha (71-206) (1-USA, Des Moines) 1-Chicago (71-514) (Info.) 1-Springfield (71-100) (Info.) 4-Minneapolis (71-161) (1-cc 66-2835) 1-cc 66-2590	

*174*  
**69 JUL 18 1952**

MPLS 71-161

Informant also indicated that since the first of the year he was in Minneapolis, Minnesota, at an amusement operators meeting, and while there he talked to a man whom he only knew by the name of [redacted], who formerly worked for the Mayflower Distributing Company at St. Paul. Informant stated that this man [redacted] who is now working for some coin machine operator in St. Cloud, Minnesota, told informant that he had hauled a truckload of slot machines out of either Wisconsin, Illinois or Indiana since the first of the year for the Mayflower Company and had taken the machines to Des Moines, Iowa. Informant further stated that HERMAN PASTER, the owner of the Mayflower Distributing Company, has a [redacted] [redacted] known as [redacted] who does most of the hauling and that [redacted] was along when this shipment was made.

Informant seemed to think that the Mayflower Distributing Company is shipping slot machines right along regardless of the federal statute.

AT ST. CLOUD, MINNESOTA

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[redacted], a former slot machine operator and presently the operator of various juke boxes and other coin machines, advised that he has a serviceman working for him by the name of [redacted] who formerly worked for [redacted] of Rochester, Minnesota.

[redacted], presently resides at [redacted] St. Cloud, Minnesota, advised SA [redacted] that for a period of about two years he was employed by the Civil Aeronautics Authority engaged in the installation and maintenance of radio navigational devices. Subsequently he quit the CAA and went to work for [redacted] of Rochester servicing various coin operated amusement devices. For the past year he has been employed by [redacted].

[redacted] stated that he is in frequent contact with the Mayflower Novelty Company for the purpose of purchasing novelty machines of various sorts but at no time has he been employed by that firm. He knows nothing about the transportation of any slot machines by the firm. He knows a man by the name of [redacted] at the firm but nothing else concerning him. [redacted] stated that he has been on the several floors of the firm but has never observed slot machines stored there.

Inquiry at the Krueger Music Company, East St. Germain Street, St. Cloud, Minnesota, reflected that there is no one employed by that firm by the name of [redacted] and no one who formerly worked for the Mayflower Novelty Company in St. Paul, Minnesota.

MPLS 71-161

Instant file reflects that the Bureau, Omaha and Miami Offices were advised that [ ] had no definite or pertinent information relative to the shipping of slot machines to the Florida area or any other place by the Paster or Mayflower Distributing Company.

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Instant file also contains a copy of a report of SA [ ] EID, Minneapolis, May 26, 1952, in the case entitled [ ] wa.; ITOGD," which reflects that [ ] stated ne purchased three Hollycrane, Miniature Industrial Cranes from the Holly Sales Company, St. Paul, Minnesota, in 1951. This report contains detailed information which reflects these machines were purchased on June 13, 1951, March 13, 1951, and August 7, 1951.

Instant file also contains a copy of a report of SA [ ] Butte, dated May 19, 1952, in the case entitled [ ] ; ET AL; ITOGD; CONSPIRACY," which reflects that the Butte Office was going to correlate information in that file which will be of assistance in connection with the [ ] case.

In regard to the serial numbers of the various gambling devices which appear in Minneapolis report dated May 8, 1952, such numbers were checked against the indices. It was noted that those machines were indexed to the original files which were entitled "U.S. Naval Air Station, Minneapolis," and "2465th, Air Force Reserve Training Center, Wold Chamberlain Field, Minneapolis, Minnesota," both files of which are mentioned in that report.

A Minneapolis report dated February 7, 1952, reflects that the United States Attorney, St. Paul, Minnesota, was interested in knowing whether or not the Como Manufacturing Company, Chicago, Illinois, was registered with the United States Attorney at Chicago, Illinois.

In connection with the case entitled "COMO MANUFACTURING COMPANY, CHICAGO, ILLINOIS, ITOGD," there is a Chicago report dated June 27, 1952, which contains the following information.

"AT CHICAGO, ILLINOIS"

"On April 25, 1952, the facts of instant matter were again reviewed with Assistant United States Attorney JOSEPH P. TOBIN who declined criminal prosecution of the subject company. In his opinion the closed prize chute Hollycrane model is definitely not a gambling device. It is his opinion that the spot welded metal plate across

MPLS 71-161

the prize chute is more of a permanent nature rather than a superficial sealing of the prize chute. Mr. TOBIN is of the opinion that it is doubtful that the open prize chute Hollycrane model is a gambling device under Public Law 906."

"The records of the United States Attorney, Chicago, as of April 24, 1952, reflected the Como Manufacturing Company was not registered as a manufacturer or dealer in gambling devices."

Inasmuch as previous reports reflect that the United States Attorney at St. Paul, Minnesota, was interested in connection with the Holly Sales Company, St. Paul, Minnesota, it has been noted that in the case entitled "[REDACTED] ITOGD", there is a Minneapolis report dated June 12, 1952, and inasmuch as that report makes reference to an interview with HERMAN PASTER, the contents of that report are being set forth as follows:

"By teletype dated June 6, 1952, the Cleveland office advised that the United States Customs at Buffalo had advised the Buffalo office of a shipment of two alleged coin-operated amusement devices, via the New York Central Railroad, Waybill #38360, by [REDACTED] Hotel Hollenden, Cleveland, Ohio, to a Siegel Amusement Company, New Market, Ontario, Canada. An examination of these machines revealed they are Holly Cranes, Serial Nos. 163 and 198, and are the digger type; one machine bore a card which read 'Distributed by Holly Sales Company, 2218 University Avenue, St. Paul-Minneapolis'. The Assistant United States Attorney at Buffalo, New York, had advised that there was no interstate transportation violation of gambling devices, because the machines were destined for Canada, and the only possible violation was that subject was not a registered dealer. The Washington Field Office had advised that [REDACTED] was not a registered dealer. [REDACTED] was not known at Hollenden Hotel, Cleveland, and information developed that [REDACTED] was continually traveling and had no local address."

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"The Cleveland office requested contact with the Holly Sales Company, St. Paul, Minnesota, for any information available concerning [REDACTED]."

"HERMAN PASTER, President, Holly Sales Company, 2218



University Avenue, St. Paul, Minnesota, advised he was not acquainted with [redacted], and inquiry among other officials and employees of Holly Sales Company failed to disclose anyone who knew him. PASTER recalled, however, engaging in phone transactions with a Siegel Amusement Company, 477 Yonge Street, Toronto, Canada, in connection with the sale of various types of amusement and gambling devices. He indicated that these phone conversations on behalf of this company were made either by an [redacted] or [redacted], and therefore assumes that [redacted] is either an official or an employee of this company in Toronto."

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"Mr. PASTER volunteered that the Holly crane diggers have been taxed out of existence in the United States, and that the only available market for this type of gambling device at the present time is in Canada. He indicated that he has shipped approximately 12 to 15 Holly crane diggers to the Siegel Amusement Company at Toronto during the past 6 months, and it is his impression that the shipment of Holly crane diggers to Canada is not a violation of Public Law 906. Mr. PASTER further remarked that since the passage of Public Law 906 he has made every attempt to comply with this law in regard to his transactions with these machines. Mr. PASTER appeared to be under the impression that the interstate transportation of Holly crane diggers with a closed chute so that no prizes can be delivered, has the effect of excluding these machines from within the provisions of Public Law 906. He further indicated that the Como Manufacturing Company of Chicago, Illinois, since the passage of Public Law 906, has shipped numerous Holly crane diggers throughout the country with the chute bolted shut so that the prize received during the operation of the digger could not be delivered to the player of the machine. PASTER admitted that any Holly crane machines he has shipped in interstate commerce have been shipped with the chute bolted closed."

"With respect to the Holly Cranes bearing Serial Nos. 163 and 198, HERMAN PASTER readily produced two cards which reflected all of his transactions with these particular machines."

"A card bearing the title 'One Holly Crane Serial No. 163' was sold by the Holly Sales Company to the Empire Distributing Company, 582 Valencia, San Francisco, California,

MPLS 71-161

on June 2, 1950. This is the only transaction the Holly Sales Company has had with this Holly crane."

"A card bearing the title 'Holly Crane Digger No. 198' reflects that this machine was originally sold to the following individuals on the dates indicated by the Holly Sales Company:

[redacted] Lake City, Minnesota, March 22, 1948  
[redacted], Winona, Minnesota, June 7, 1948  
[redacted], Rock Island, Illinois, August 27, 1948  
Mayflower Distributing Company, Omaha, Nebraska,  
November 20, 1948  
[redacted], Baltimore, Maryland, April 17, 1950  
Empire Coin Machine Exchange, 1012 Milwaukee  
Avenue, Chicago, Illinois, January 17, 1951"

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It is to be noted that the above mentioned report dated June 12, 1952, contains a lead to contact the United States Attorney at St. Paul regarding prosecutive action he might desire to take regarding the transportation of the Hollycrane digger on January 17, 1951.

- PENDING -

MPLS 71-161

ADMINISTRATIVE

INFORMATION

The Chicago and Springfield Offices are being furnished copies of this report for information purposes as they are interested in this case.

LEADS

THE MINNEAPOLIS OFFICE

At Minneapolis, Minnesota

Will report any additional information which is received concerning subjects.

Will report results of recontact with United States Attorney, St. Paul, Minnesota, relative to prosecuting Holly Sales Company, PASTER Distributing Company for failure to register with the Attorney General.

INFORMANTS

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REFERENCE: Report of SA   
Minneapolis, May 8, 1952.

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## Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI (71-3129)  
FROM : SAC, Minneapolis (71-161)  
SUBJECT: [REDACTED] was.  
ITOGD

DATE: July 14, 1952

m3. The following information is being transmitted for information and record purposes and the same will be reported in the next investigative report that is submitted.

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Re report of SA [REDACTED] dated July 9, 1952, at Minneapolis, Minnesota, which contains a lead to report results of recontact with United States Attorney relative to prosecuting Holly Sales Company and the Paster Distributing Company for failure to register with the Attorney General.

By letter, dated July 9, 1952, the Honorable Philip Neville, United States Attorney, furnished the following information:

"Permit me to say that I discussed this case with the Department of Justice in Washington, and it is now being carefully reviewed with a view to presenting the same to the next session of the Grand Jury. It appears now that we will ask for an indictment of at least some, if not all, of the people involved."

RNP:dad

cc - 1 Omaha (71-206)  
1 Chicago (71-514)  
1 Springfield (71-100)

RECORDED - 159

71-3129-140

EX - 102

70 JUL 24 1952

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **OMAHA**

FILE NO.

REPORT MADE AT <b>BUTTE, MONTANA</b>	DATE WHEN MADE <b>7/23/52</b>	PERIOD FOR WHICH MADE <b>2/14; 7/16/52</b>	REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 1.2em; display: inline-block;"></div> <b>efw</b>
TITLE <div style="border: 1px solid black; width: 150px; height: 1.2em; display: inline-block;"></div> , was.; ET AL			CHARACTER OF CASE <b>INTERSTATE TRANSPORTATION OF GAMBLING DEVICES</b>

**SYNOPSIS OF FACTS:**

**[REDACTED]**, Havre, Montana, reported subject, representing Paster Distributing Company, Minneapolis, arranged to get about 50 machines, make and serial numbers unknown, late August, 1950. **[REDACTED]** Malta, Montana, recalled unknown person who may have been subject, representing Paster Company, Minneapolis, in late summer, 1950, who arranged for about 19 machines, exact makes and serial numbers unknown. **[REDACTED]** Shelby, Montana, had no specific information.

*1cc Dept  
7-31-52*

- RUC -

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**DETAILS:**

**AT HAVRE, MONTANA**

**[REDACTED]** coin machine operator, reported that just before Labor Day, 1950, subject, representing the Paster Distributing Company, formerly the Mayflower Distributing Company, Minneapolis, Minnesota, had arranged for the purchase of about 50 or 60 slot machines through **[REDACTED]** **[REDACTED]** said subject had his family along and had mentioned that he was in a hurry to get back to Minneapolis so the family would be there in time to start school, so he was sure of the date. Subject has had considerable prior business dealings with **[REDACTED]** and **[REDACTED]** advised that he was merely acting as agent for **[REDACTED]** in acquiring the machines, most of which had come from the HARRY WATKINS estate. **[REDACTED]** said he and HARRY WATKINS had been closely associated in the prior sale and distribution of slot machines, and after WATKINS' death, **[REDACTED]** had assisted

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85 AUG 17 1966

APPROVED AND FORWARDED: <i>Percy Wyll</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
<p style="font-size: 1.5em; font-weight: bold; margin: 0;">COPY IN FILE</p> <p>COPIES OF THIS REPORT</p> <ul style="list-style-type: none"> <li>3 - Bureau (71-3129)</li> <li>3 - Omaha (71-206)</li> <li style="padding-left: 20px;">(1-USA, Des Moines, Iowa)</li> <li>1 - Cincinnati (71-309) (Info.)</li> <li>1 - Minneapolis (71-161) (Info.)</li> <li>2 - Butte (71-125) 189</li> </ul>	<p style="font-size: 1.5em; font-weight: bold;">71-3129-141</p> <p style="font-size: 1.2em; font-weight: bold;">JUL 28 1952</p> <p style="font-size: 1.5em; font-weight: bold;">2</p>	<p style="font-weight: bold;">RECORDED - 115</p> <p style="font-weight: bold;">INDEXED 119</p>

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BT 71-125

[redacted], in disposing of the slot machines owned by the WATKINS' estate. [redacted] said he had kept no account of the serial numbers or makes or exact number of machines taken by the subject, and did not know where these figures might be found. He said that inasmuch as the WATKINS' estate is still being probated, there is a possibility that serial numbers and details of the sale of the machines might be a matter of court record. He said he would attempt to find out if that were so, and if it was, he would notify the FBI. [redacted] said he recalled that most of the machines obtained by the subject were Mills and Jennings, and that there may have been a few Pace machines. He said subject stayed at the Shanty Motel in Havre, and that search of their records would verify the exact date subject was in Havre, if needed.

AT MALTA, MONTANA

[redacted], Malta Music Center, said he recalled an unknown person, representing the Paster Company, called upon him in the late summer of 1950, and arranged to pick up about 19 Pace, Jennings and Mills slot machines from [redacted]. [redacted] said he delivered the machines to Havre, Montana, where the big truck was to pick up a load. He did not recall the man's name and remembered only that the man had a wife along, who had made a remark reflecting that she was soon to have a baby. [redacted] said he had previously done business with [redacted], Paster Distributing Company, Minneapolis territory. Of the 19 machines, [redacted] did not recall their origin, except that some of them may have come from the Dodson Big Two Club or the Big Two Club, Dádon, Montana. [redacted] reported that he had kept no records of dates of the transactions, serial numbers or other data, and did not know where that information could be found.

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The following investigation was conducted by SA [redacted]

AT SHELBY, MONTANA

[redacted] of the Shelby Distributors, advised as follows:

His father, [redacted] had died in March of 1950, and he was administrator of his estate. His father had been distributor for all Bell and Pace slot machines in Glacier, Toole, Liberty and Hill Counties, in Montana. The only machines that his father owned were approximately 30 or 40 in Glacier National Park. His father ran this business from Havre, Montana, and was associated with a [redacted]. He did not know the relationship of this partnership. It was in August of 1950 that he drove to Glacier National Park and brought all the slot machines to Shelby, and around the last week in August a driver, whose name he does not remember, picked up these machines. He said that [redacted] made the arrangements for the sale of the machines and had sent this driver over. He said that when his father died he did not receive any records on any slot machines, and he kept no record of the machines he brought out of Glacier National Park

- R U C -

BT 71-125

ADMINISTRATIVE PAGE

Inasmuch as the Cincinnati and Minneapolis Offices had investigation in this a similar case entitled, [REDACTED] ET AL, INTERSTATE TRANSPORTATION OF GAMBLING DEVICES; CONSPIRACY," one copy of this report is being designated for those offices.

REFERENCE

Cincinnati report of SA [REDACTED], dated 5/1/52.

Minneapolis letter to Butte dated 6/18/52.

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SAC, Minneapolis (71-161)

August 6, 1952

Director, FBI (71-3129)

*24*  
[redacted] was. ETAL  
ITOGD

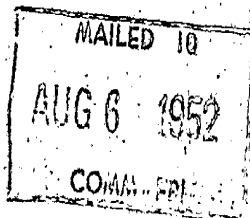
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Reurlet July 14, 1952. Inasmuch as prosecution is contemplated and this case is of an involved and complicated nature, you are instructed to immediately prepare a prosecutive summary.

WRH:gh *[initials]*

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Nichols \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Harbo \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Nease \_\_\_\_\_  
Gandy \_\_\_\_\_

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71-3129-142  
AUG 7 1952  
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EX-32

*[Handwritten signature]*

303  
65 AUG 11 1952

WRH



FBI, MINNEAPOLIS

9-3-52

4-40 PM

PAE

DIRECTOR, FBI

U R G E N T

[REDACTED] WAS. ET AL, (IGOTD). LETTER RECEIVED TODAY FROM USA  
P. W. LANIER, FARGO, ADVISING QUOTE AT THE REQUEST OF THE ATTORNEY  
GENERAL, WASHINGTON, D. C., WE ASK THAT WE BE FURNISHED WITH COPIES  
OF ALL REPORTS NOT HERETOFORE FURNISHED US INVOLVING THE ACTIVITIES  
OF ELMO T. CHRISTIANSON, ATTORNEY GENERAL OF THIS STATE, MADE AS A  
RESULT OF INVESTIGATIONS OF YOUR OFFICE. WE WILL APPRECIATE RECEIVING  
THESE REPORTS AT AN EARLY DATE. UNQUOTE. THIS OFFICE HAS CONDUCTED  
NO INVESTIGATION OF ELMO T. CHRISTIANSON BUT FROM TIME TO TIME HAS  
RECEIVED GENERAL INTELLIGENCE INFO SUCH AS FURNISHED THE BUREAU IN  
ABOVE ENTITLED CASE BY LETTER DATED JULY TWENTYTHREE, FIFTYONE, AND  
LETTER TO THE BUREAU DATED APRIL ONE, FIFTYTWO, IN THE CASE ENTITLED  
FEDERAL GRAND JURIES INVESTIGATION LOCAL CRIME. CHRISTIANSON ALSO  
REFERRED TO IN THE CASE ENTITLED [REDACTED] ITOGD, PENDING REPORT  
OF SA [REDACTED] AT MPLS, DATED JULY EIGHT LAST. BUREAU-S  
ADVICE IN THIS MATTER REQUESTED

END ACK PLS

6-43 PM OK FBI WA RD

60 SEP 23 1952

RECORDED - 112 71-3129-143  
SEP 11 1952  
Memo To [REDACTED]  
Letter To [REDACTED]  
9-5-52

cc: [REDACTED]  
[REDACTED]

FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE  
COMMUNICATIONS SECTION

SEP 15 1952

TELETYPE

FBI, MINNEAPOLIS  
DIRECTOR, FBI

9-15-52

2-43 PM

U R G E N T

PAE

[REDACTED] WAS, ET AL, ITOGD. REBUTEL SEPTEMBER ELEVEN. SUMMARY REPORT INSTANT CASE BEING TYPED. WILL BE COMPLETED APPROXIMATELY SEPTEMBER TWENTYTHREE. PHILIP NEVILLE, USA, ST. PAUL, WHO HAS PERSONALLY PRESENTED INSTANT CASE TO GRAND JURY EXPECTS SECRET INDICTMENT WILL BE FORMALLY RETURNED FRIDAY, SEPT. NINETEEN, AGAINST SUBJECTS, HERMAN PASTER, [REDACTED] AND ALBERT GARDNER. BENCH WARRANTS WILL THEN BE ISSUED FOR THE SUBJECTS AND WILL BE IMMEDIATELY SERVED BY USM OFFICE, ST. PAUL. NEVILLE INTENDS TO RECOMMEND FIVE THOUSAND DOLLAR BOND EACH FOR PASTER AND [REDACTED] AND ONE THOUSAND COLLAR BOND FOR GARDNER. NEVILLE DOES NOT CONTEMPLATE AT THIS TIME AUTHORIZING ANY SEIZURE OF SLOT MACHINES INVOLVED IN THIS CASE. HE DOES NOT FEEL THEY ARE NEEDED FOR EVIDENCE FOR THE REASON THE SAME ISSUES ARE INVOLVED IN CONNECTION WITH THE SEIZURE OF THE MACHINES AS ARE INVOLVED IN THE CRIMINAL TRIAL AGAINST SUBJECTS AND THEREFORE OF THE OPINION THAT IF THE MACHINES ARE SEIZED THIS ACTION SHOULD BE DELAYED UNTIL AFTER A CONVICTION OF THE SUBJECTS. IF THE SUBJECTS STAND TRIAL SAME WILL BE HELD IN U.S. D.C. ST. PAUL, APPROXIMATELY NOVEMBER TEN, FIFTYTWO.

END ACK PLS

4-47 PM OK FBI WA NM

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Reimail 129  
no mps  
9-16-52  
NM

cc Mr Rosen  
Mr Leggett

FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE

0-9a

To: COMMUNICATIONS SECTION.

SEPTEMBER 19, 1952

URGENT

Transmit the following message to:

SAC, MINNEAPOLIS

*BP*  
[REDACTED] WAS., ET AL, ITQGD. REURTEL SEPTEMBER  
EIGHTEEN LAST. BUREAU AUTHORITY GRANTED TO EXECUTE SEARCH  
WARRANT.

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WRE:GH *[Signature]*

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R*

*15. R. 12*

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Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Nichols \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Harbo \_\_\_\_\_  
Belmont \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Nease \_\_\_\_\_  
Gandy \_\_\_\_\_

SENT VIA 26 1952

M

Per

*W. R. J.*

FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE

0-9a

To: COMMUNICATIONS SECTION. SEPTEMBER 16, 1952

**AIR MAIL**

Transmit the following message to: SAC, MINNEAPOLIS

24  
RECORDED - 1671-3157-1147

EX-12

[REDACTED] WAS., ET AL, ITOGD. REURTEL SEPTEMBER FIFTEEN. IT IS NOTED THAT THE USA CONTEMPLATES THE ARREST OF SUBJECTS BY THE U. S. MARSHAL. YOU ARE INSTRUCTED TO IMMEDIATELY DISCUSS WITH THE USA THE DESIRABILITY OF BUREAU AGENTS MAKING THE ARREST AT SUBJECTS PLACE OF BUSINESS, SO THAT A SEARCH FOR THE CONTRABAND, THE SLOT MACHINES, MAY BE MADE INCIDENTAL TO THE ARREST. BUFILES REFLECT THAT THIRTY EIGHT SLOT MACHINES ARE INVOLVED IN THE ILLEGAL TRANSPORTATION, SERIAL NUMBERS OF WHICH ARE IN YOUR FILES. THE LOCATION OF ALL OF THESE MACHINES IS NOT KNOWN AND SOME MAY STILL BE IN THE POSSESSION OF SUBJECTS. THIS COULD NOT OTHERWISE BE DETERMINED UNLESS SUBJECTS VOLUNTARILY FURNISHED THE INFORMATION. A SECOND CONSIDERATION WHICH SHOULD BE KEPT IN MIND IS THAT A SEARCH INCIDENTAL TO THE ARREST MAY REVEAL THE IDENTITY OF GAMBLING DEVICES WHICH HAVE NOT BEEN RECORDED BY SUBJECT COMPANY IN ITS MONTHLY INVENTORY TO THE ATTORNEY GENERAL. IF THIS IS TRUE, THE SEARCH BEING LEGAL, THERE WOULD BE A BASIS FOR ADDITIONAL VIOLATIONS. HANDLE.

G.I.R.-3

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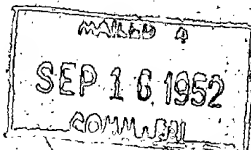
Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Nichols \_\_\_\_\_  
Belmont \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Harbo \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Laughlin \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Rm. \_\_\_\_\_  
Holloman \_\_\_\_\_  
Gandy \_\_\_\_\_

WRH:JS

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85 AUG 17 1966



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60 SEP 23 1952

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Per

Per

4/16

FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE

0-9a

To: COMMUNICATIONS SECTION.

SEPTEMBER 11, 1952

Transmit the following message to: SAC, MINNEAPOLIS

URGENT

[REDACTED] HAS, ET AL, ITCCD. REURTEL SEPTEMBER

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b7C

W. EXPEDITE SUBMISSION OF SUMMARY REPORT. SUTEL CONTEMPLATED  
ACTION RE ARREST OF SUSPECTS AND SEIZURE OF GAMBLING DEVICES  
ANY.

MOORE

W:JMC *JMC*

*RIF*

RECORDED - 90

EX-121

FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE  
COMMUNICATIONS SECTION

71-3129-146

SEP 11 4 42 PM '52  
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U S DEPT OF JUSTICE

COPIES DESTROYED

85 AUG 29 1966

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Per

*41*

*R*  
*W*

FBI, MINNEAPOLIS

9-18-52 5-50 PM

DIRECTOR, FBI

U R G E N T

PAE

Mr. Tolson	
Mr. Ladd	
Mr. Nichols	
Mr. Belmont	
Mr. Clegg	
Mr. Glavin	
Mr. Harbo	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Hendon	
Mr. Jones	
Mr. Mumford	
Mr. Quinn	
Mr. Nease	
Miss Gandy	

b6  
b7C

[REDACTED] WAS., ET AL, ITOGD. REBULET SEPTEMBER SIXTEEN.  
PHILIP NEVILLE, USA, ST. PAUL, ADVISES HE BELIEVES FEDERAL GRAND JURY  
WILL MAKE RETURN TO COURT LATE AFTERNOON SEPTEMBER NINETEEN, AND THAT  
HE COULD HAVE CLERK OF COURT EXPEDITE BENCH WARRANTS. BOTH NEVILLE AND  
AUSA WILLIAM ESSLING ADVISE THAT THEY MIGHT ISSUE USC COMPLAINTS  
AGAINST INDIVIDUALS WHO WILL BE INDICTED AND AS RESULT PERSONS COULD  
BE ARRESTED. HOWEVER, THEIR OPINION IS THAT IF ANYONE OF INDIVIDUALS  
IS ARRESTED ON PREMISES OF MAYFLOWER DISTRIBUTING COMPANY IN ST. PAUL,  
WHICH IS A LARGE THREE STORY BUILDING, THAT SEARCH INCIDENTAL TO ARREST  
COULD ONLY BE CONFINED TO THE IMMEDIATE ROOM AND COULD NOT EXTEND TO  
THE BASEMENT, SECOND OR THIRD FLOORS. HOWEVER, THEY BELIEVE A SEARCH  
WARRANT COULD BE ISSUED AS RESULT OF MONTHLY REPORTS MAYFLOWER DISTRI-  
BUTING COMPANY FURNISHED TO ATTORNEY GENERAL, BUT THEY STATED THERE MIGHT  
BE SOME QUESTION REGARDING VALIDITY. USA TO BE RECONTACTED ELEVEN AM,  
NOVEMBER NINETEEN, AT WHICH TIME HE WILL DECIDE WHETHER A SEARCH WARRANT  
WILL BE ISSUED AND IN ANY EVENT ARRESTS WILL BE MADE BY FBI. IN EVENT  
USA DOES AUTHORIZE FILING OF SEARCH WARRANT, BUREAU SHOULD SUTEL IMME-  
DIATELY WHETHER AUTHORITY GRANTED TO EXECUTE SAME BY AGENTS THIS  
OFFICE.

BANISTER

END

A7-55 PM OK FBI WA DBD

DISC

RECORDED-30

G. I. R. - 3

171-3129-147

11 SEP 22 1952

68 SEP 29 1952

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd *SL*  
 FROM : Mr. Rosen *R*  
 SUBJECT: , was. etal  
 INTERSTATE TRANSPORTATION  
 OF GAMBLING DEVICES

DATE: September 19, 1952

G. I. R. 3

b6  
b7c

Tolson \_\_\_\_\_  
 Ladd \_\_\_\_\_  
 Clegg \_\_\_\_\_  
 Glavin \_\_\_\_\_  
 Rosen \_\_\_\_\_  
 Tracy \_\_\_\_\_  
 Harbo \_\_\_\_\_  
 Belmont \_\_\_\_\_  
 Mohr \_\_\_\_\_  
 Tele. Room \_\_\_\_\_  
 Nease \_\_\_\_\_  
 Gandy \_\_\_\_\_

PURPOSE

To advise that , Albert H. Gardner, and Herman Paster were arrested by Bureau Agents today at St. Paul, Minnesota on a Commissioner's warrant charging violation of the Interstate Transportation of Gambling Devices Act. *make 4-1*  
*make 8-1*

DETAILS

ASAC R. L. Faisst telephonic advised that Bureau Agents had on this date arrested the above three subjects in St. Paul, Minnesota on the basis of a U. S. Commissioner's warrant charging violation of the Interstate Transportation of Gambling Devices Act, commonly known as the Johnson-Preston Act. They are charged with transporting 38 slot machines from Davenport, Iowa and Rock Island, Illinois to St. Paul, Minnesota on or about March 2, 1951.

An authorized search warrant was issued by the U. S. Commissioner and Bureau Agents are presently conducting a search of the subjects' place of business to locate the slot machines.

You will recall that a memo was submitted dated September 12, 1952 concerning the return of a secret indictment against these subjects in Federal District Court, St. Paul, Minnesota, and concerning background information on the subjects.

ACTION

You will be advised of further developments. ASAC Faisst was authorized to release the facts to the press and Mr. Wick in Mr. Nichols' Office concurred.  
 cc: Mr. Nichols

WRH:gh

RECORDED - 54

- 80

171-3129-148

SEP 25 1952

62 SEP 30 1952

WGA

## Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. LADD

FROM : MR. ROSEN

SUBJECT: [REDACTED], was, etal;  
INTERSTATE TRANSPORTATION OF  
GAMBLING DEVICES

DATE: September 12, 1952

PURPOSE:

To advise concerning the return of an indictment in Federal court, St. Paul, Minnesota, on September 10, 1952, against [REDACTED], Albert H. Gardner, Herman Paster, and the Mayflower Distributing Company for violation of the Interstate Transportation of Gambling Devices Act.

DETAILS:

The United States Attorney in St. Paul confidentially advised the Minneapolis office that the Federal Grand Jury on September 10, 1952, returned an indictment on two counts in the above case. The first, charges [REDACTED], Albert H. Gardner and the Mayflower Distributing Company with violating the Interstate Transportation of Gambling Devices Act, commonly known as the Johnson-Preston Act, in that they transported by truck, 38 slot machines to Minneapolis and St. Paul, Minnesota, from Davenport, Iowa and Rock Island, Illinois, on or about March 2, 1951. The second count recites that [REDACTED], Gardner and Herman Paster conspired to transport the above slot machines, and sets forth five overt acts committed between January 15, 1951, and March 5, 1951.

There has been no previous prosecutive action in this case, and the United States Attorney stated that he was uncertain when the indictment will become a matter of public record.

BACKGROUND OF CASE

In the latter part of January, 1951 Herman Paster instructed his Iowa [REDACTED] to line up some slot machines; that since a recent Iowa statute made mere possession of slot machines an offense, he should be able to purchase machines at a very reasonable figure. Several sellers were located and Paster notified, at which time he sent [REDACTED] down to Iowa to actually consummate the sales. Twenty-eight slot machines were purchased from the American Legion Post #26 at Davenport, Iowa, and ten machines from William C. Knoop who had them stored in a tavern in Rock Island, Illinois.

cc: Mr. L. B. Nichols  
WHH:MFW

RECORDED-17

INDEXED-17

EX-631

SEP 17 1952

67 OCT 31 1952

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Harbo \_\_\_\_\_  
Belmont \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Nease \_\_\_\_\_  
Gandy \_\_\_\_\_

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b7C



Memo Mr. Ladd

Gardner drove a truck from St. Paul to Iowa where he met [ ] and [ ] and assisted in picking up the slot machines. He and [ ] then transported the machines to St. Paul, Minnesota. Some of the machines have been identified as being on an inventory furnished by the company to the Attorney General, and others as having been shipped to Nevada.

#### BACKGROUND OF SUBJECTS

Herman Paster is the general manager and principal owner of the Mayflower Distributing Company and the Paster Distributing Company, both located in St. Paul, and both concerned with the purchase, sale, servicing, and distribution of coin operated machines of various types.

Paster is reported to be worth in excess of half a million dollars. He was convicted in March, 1944 for an OPA violation in connection with selling distilled spirits over the ceiling price, and was sentenced to six months' in prison and fined \$10,000.00. He is also the same individual who is alleged to have entered into an agreement with Elmo T. Christianson, Attorney General of North Dakota, to permit the operation of gambling devices in that state. Information concerning this has previously been furnished, the most recent by memorandum dated September 5, 1952.

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[ ] of Paster and associated with him. [ ] has no known arrest record.

Albert H. Gardner is a shipping clerk for the company. He was sentenced to a year and a day in 1929 for violation of the National Prohibition Act.

#### ACTION

For your information. You will be advised as to any further developments.

FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE  
COMMUNICATIONS SECTION

SEP 10 1952

TELETYPE

Mr. Tolson \_\_\_\_\_  
Mr. Ladd \_\_\_\_\_  
Mr. Nichols \_\_\_\_\_  
Mr. Belmont \_\_\_\_\_  
Mr. Clegg \_\_\_\_\_  
Mr. Glavin \_\_\_\_\_  
Mr. Harbo \_\_\_\_\_  
Mr. Rosen ☒ \_\_\_\_\_  
Mr. Tracy \_\_\_\_\_  
Mr. Laughlin \_\_\_\_\_  
Mr. Mohr \_\_\_\_\_  
Mr. Winterrowd \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Mr. Holloman \_\_\_\_\_  
Miss Gandy \_\_\_\_\_

FBI, MINNEAPOLIS

9-10-52

5-00 PM

DIRECTOR, FBI

U R G E N T

[REDACTED], WAS, ETAL, ITOGD. USA, ST. PAUL, HAS CONFIDENTIALLY ADVISED THAT GRAND JURY AT ST. PAUL TODAY RETURNED AN INDICTMENT IN TWO COUNTS IN INSTANT CASE. COUNT ONE RECITES THAT [REDACTED], GARDNER AND THE MAYFLOWER DISTRIBUTING COMPANY DID ON OR ABOUT THREE TWO FIFTYONE, IN VIOLATION OF TITLE FIFTEEN, SECTION ONE ONE SEVEN TWO, USC, BY MEANS OF A MOTOR TRUCK, TRANSPORT APPROXIMATELY THIRTYEIGHT SLOT MACHINES TO MINNEAPOLIS AND ST. PAUL, MINNESOTA FROM DAVENPORT, IOWA AND ROCK ISLAND, ILLINOIS. COUNT TWO RECITES THAT BETWEEN ONE FIFTEEN FIFTYONE AND THREE FIVE FIFTYONE, IN ST. PAUL, MINNESOTA AND ALSO IN IOWA, ILLINOIS AND WISCONSIN, [REDACTED] GARDNER AND HERMAN PASTER CONSPIRED TOGETHER TO TRANSPORT THIRTYEIGHT SLOT MACHINES FROM DAVENPORT, IOWA AND ROCK ISLAND, ILLINOIS TO ST. PAUL AND MINNEAPOLIS, MINN. BY MEANS OF A MOTOR TRUCK IN VIOLATION OF TITLE FIFTEEN, SECTION ONE ONE SEVEN TWO, USA. THIS COUNT IS SUPPORTED BY ALLEGATIONS OF FIVE OVERT ACTS. ACT ONE RELATES TO TELEPHONE CALLS FROM PASTER, PRESIDENT OF MAYFLOWER DISTRIBUTING COMPANY, MADE  
END PAGE ONE

RECORDED-17

EX631

SEP 23 1952

67 OCT 31 1952

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mean Room  
to Fed 9-11-52  
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PAGE TWO

AT VARIOUS TIMES TO [REDACTED] AN EMPLOYEE OF THAT COMPANY, FROM ST. PAUL, MINNESOTA, MILWAUKEE, WISCONSIN AND CHICAGO, ILL. TO LE CLAIRE AND DAVENPORT, IOWA, DURING FEBRUARY AND MARCH, FIFTYONE INSTRUCTING HIM TO ASCERTAIN THE WHEREABOUTS OF SLOT MACHINES WHICH COULD BE PURCHASED BY PASTER AND SAID COMPANY IN IOWA AND THE ROCK ISLAND, ILLINOIS AREA. ACT TWO RELATES TO PASTER-S HAVING RENTED OR HAVING CAUSED TO BE RENTED BY THE MAYFLOWER DISTRIBUTING COMPANY A TRUCK AT ST. PAUL, MINN. WITH WHICH TO TRANSPORT SAID SLOT FROM IOWA AND ROCK ISLAND, ILL. AREA TO ST. PAUL AND MINNEAPOLIS, MINN. WHICH TRUCK WAS SO USED. THIRD OVERT ACT RELATES THAT [REDACTED]

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[REDACTED] DID ON OR ABOUT MARCH ONE OR TWO FIFTYONE, GO TO DAVENPORT AND ROCK ISLAND AND PURCHASE THIRTYEIGHT SLOTS AND ASSISTED IN LOADING SAME ON THE ABOVE TRUCK AND DID TRANSPORT SAME IN SAID TRUCK TO ST. PAUL AND MINNEAPOLIS, MINN. FOURTH OVERT ACT RELATES THAT ON LAST ABOVE DATES, GARDNER DROVE THE TRUCK TO DAVENPORT AND ROCK ISLAND AND THERE PICKED UP IN AND ASSISTED IN LOADING ON SAME SAID SLOTS IN THE COMPANY OF [REDACTED] AND RETURNED WITH SAME TO MINNEAPOLIS AND ST. PAUL. FIFTY OVERT ACT ALLEGED PASTER CAUSED  
END PAGE TWO

PAGE THREE

THE MAYFLOWER DISTRIBUTING COMPANY ON OR ABOUT THREE TWO FIFTYONE  
TO ISSUE ITS CHECK IN AMOUNT OF TWENTYONE HUNDRED DOLLARS WHICH WAS  
DEPOSITIED IN THE PERSONAL CHECKING ACCOUNT OF [ ] AND AGAINST WHICH  
[ ] WROTE HIS PERSONAL CHECK FOR TWO THOUSAND DOLLARS TO OBTAIN CASH  
WITH WHICH HE PURCHASED THIRTYEIGHT SLOTS IN AND AROUND DAVENPORT  
AND WHICH WERE THEN TRANSPORTED AS ABOVE MENTIONED. AUSA ADVISES  
UNCERTAIN AS TO WHEN THE ABOVE INFO WILL BECOME MATTER OF PUBLIC  
RECORD.

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b7C

[ ]  
M END AND ACK

7-09 PM OK FBI WA NB

*cc: [signature]*

*Am*  
FBI, MINNEAPOLIS

9-19-52

4-47 PM

PAE

DIRECTOR, FBI

U R G E N T

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*102*  
*Rox*  
[REDACTED] WA., ET AL, ITOGD. RE OUR TEL, SEPTEMBER EIGHTEEN.  
PHILIP NEVILLE, USA, ST. PAUL, AUTHORIZED TODAY FILING OF COMPLAINT  
BEFORE U. S. COMMISSIONER WILLIAM ECKLEY, ST. PAUL, MINNESOTA, WHICH  
WAS SIGNED BY SA [REDACTED], AND USC WARRANTS ISSUED AGAINST SUBJECTS  
PASTER, [REDACTED] AND GARDNER, CHARGING VIOLATION PUBLIC LAW NINE ZERO  
SIX. HE ALSO AUTHORIZED ISSUANCE OF SEARCH WARRANT, WHICH WAS SIGNED  
BY SA [REDACTED] FOR SEIZURE OF THE EIGHTEEN SLOT MACHINES ON WHICH  
AARE IDENTIFYING SERIAL NUMBERS AND WHICH WERE TRANSPORTED INTERSTATE.  
A SEARCH WARRANT ALSO NAMES SLOT MACHINES AND OTHER GAMBLING DEVICES,  
INCLUDING, BUT NOT EXCLUSIVE OF THE EIGHTEEN MACHINES. AT TWO THIRTY  
P. M. THIS DATE, ALL THREE SUBJECTS WERE ARRESTED BY FBI AGENTS AT PASTER  
DISTRIBUTING COMPANY, TWENTYTWO EIGHTEEN UNIVERSITY AVENUE, ST. PAUL,  
MINNESOTA. A SEARCH WARRANT WAS EXECUTED ON THE ENTIRE PREMISES, BUT  
NO MACHINES WERE LOCATED. WALTER J. JOHNSON, EXECUTIVE IN THE COMPANY,  
ADVISED NO SLOT MACHINES HAVE BEEN ON PREMISES FOR A LONG TIME AND  
THAT ALL HAVE PREVIOUSLY BEEN DESTROYED. ALL THREE SUBJECTS TAKEN BE-  
FORE USC AT WHICH TIME TEN THOUSAND DOLLAR BOND WAS SET FOR [REDACTED] AND  
PASTER AND FIVE THOUSAND DOLLARS FOR GARDNER. BOND WAS MADE BY ALL  
THREE SUBJECTS AND THE HEARING WAS CONTINUED UNTIL MONDAY MORNING NEXT.  
LOCAL PRESS RELEASE MADE IN ACCORDANCE WITH BUREAU INSTRUCTIONS GIVEN  
TO ASAC FAISST THIS DATE. *3127-151*  
*RECORDED - 143*  
*SEP 21 1952*

BANISTER

END AND ACK

6-53 P M OK/FBI WA RD

62 OCT 6 1952.

MR. ROSEN  
AND SUPERVISOR  
INVESTIGATIVE DIVISION